Jurnal Akuntansi

Ali Warsaleh, Darwanis, Indayani
The Effect Of Siskeudes Implementation Village Apparatus Training And Internal Control System On The Quality Of Village Financial Reports

Vika Fitranita, Intan Zoraya, Indah Oktari Wijayanti
Factor Affecting Interest in Using E-Commerce and E-Wallet With Using Technology Acceptance Model Crisis

Hamdani, Fachruzzaman
Analysis Of Investigation Audit Policies on Alleged Formula E Corruption Cases at The DKI Jakarta Provincial Government

Ardy Primawan
Systematic Literature Review-Determinants of Corporate Financial Distress Prediction

Eska Almuntaha, Nur Rahmawati, Arsyad M.Basyarudin, Eka B.Kurniawan
The Effect of Technology Characteristic in the Continued use of Charity Crowdfunding Platforms Through Trust and User Satisfaction

Amalda Aulia, Rita Rahayu, Asniati Bahari
The Influence of Digital Financial Literacy on Financial Well-Being With Financial Behaviour as a Moderation Variable : Communities in West Sumatra

Fanneisa Fresti Wulandari, Lutfi Ardhani
The Influence of Political Connections and Capital Intensity Ratio on The Effective Tax Rate: Moderate by Profitability

Dwi Indri Syahputri, Nawirah
The Influence of Information, Accounting Conservatism and Firm Size Against Earning Management With Good Corporate Governance as a Moderating Variables

Jurnal Akuntansi

THE EFFECT OF SISKEUDES IMPLEMENTATION, VILLAGE APPARATUS TRAINING, AND INTERNAL CONTROL SYSTEM ON THE QUALITY OF VILLAGE FINANCIAL REPORTS
(The Study of Villages in Simeulue Regency, Aceh Province)

Ali Warsaleh[1], Darwanis[2] dan Indayani[3]

Magister of Accounting, Faculty of Economics and Bussines, Universitas Syiah Kuala[1]
Faculty of Economics and Bussines, Universitas Syiah Kuala[2,3]

ARTICLE INFO

ABSTRACT

The goal of this research is to ascertain the impact of the installation of SISKEUDES, training of village machinery, internal control system, and financial reports for the village' quality in Simeulue Regency, Aceh Province. The population included 138 villages in Simeulue Regency with a census sample of 138 villages. The respondents comprised three individuals from each town, totaling 414 respondents. Multiple linear regression was carried out in this study utilizing the SPSS software for data analysis. The outcomes revealed that the implementation of SISKEUDES, technical training, these internal control systems have a favorable and notable impact on the caliber of the financial reports for the village. in Simeulue Regency. The implementation of SISKEUDES has positive effects on the quality of financial reports for the village in Simeulue Regency. The internal control system and technical training had a good impact on the Simeulue Regency financial reports for the village as well. The finding's implications are anticipated to serve as the foundation for the implementation of SISKEUDES, technical training for village authorities, and an internal control mechanism by policymakers. Also, this serves as a useful directive for communities to handle their funds.

INTRODUCTION

A village is regarded as a legal community unit under Republic of Indonesia Law Number 6, which was passed in 2014. With the ability to plan and control its government affairs, it has regional limits. It also has rights to the source of income or customary rights that are acknowledged and protected by the Indonesian system, as well as the interests of local communities in accordance with community initiatives. The village chief is designated as the head of the local administration, and one of his responsibilities is to oversee the money and other resources of the community.

The village receives funding from the central and regional budget funds in which every year, all villages throughout Indonesia receive a large portion of funding distributed proportionally by districts and cities (Fathia & Indriani, 2022). From 2015 until 2021, the central government has disbursed a village fund budget of Rp. 400.1 Trillion as quoted from liputan6.com, Monday (20/12/2021). Using information from the Community and Village Empowerment Service Department of Simeulue Regency, from the same year, this regency received Rp. 692.2 Billion of the village funding. The central government has granted full authority to each village through village autonomy to manage village finances to improve community welfare through an even development and rural economic development. Thus, honesty and justice from the village apparatus are highly required to manage the funds (Karimah et al., 2014).

A high portion of funds managed by village officials seems vulnerable to potential fraud. In the period 2015 to 2021, Indonesia Corruption Watch (ICW) noted that there had been 676 defendants with state losses of Rp. 111 billion committed by unscrupulous village officials (Suharti & Rumsari, 2021). In regard to the fraud of village funds, Aceh Province in 2018 was positioned at

the fourth rank, with 22 out of 96 cases taking place all over Indonesia (Fathia & Indriani, 2022). In 2021, some individuals of the village apparatus were also stipulated as suspects, such as in Pidie Regency. One of the heads of the village was enacted as a suspect by The Pidie District Attorney (Liputan6.com, 2021). Fraud in the administration of village money is an issue also took place in Simeulue Regency by stipulating a suspect of a village head (Analisaaceh.com, 2021) for allegedly misusing the village fund for the 2018 and 2019 fiscal years.

Typical frauds that frequently occur at the village level include illegal use of village treasuries, mark-ups on goods/services expenditures, abuse of authority, incomplete and inaccurate accountability reports, and lack of amount of work realization from the planning stated in Budget for Village Revenue and Expenditures (APBDes), and tiered control that has not been optimally implemented. This situation is likely to continue and develop evenly in the villages in Simeulue Regency. The misuse of village finances is strongly influenced by several factors. Thus, it is necessary to conduct research that potentially becomes the input for policymakers and the village apparatus with the expectations that some deviations or fraud connected to village financial administration might be minimized, especially in the villages in Simeulue Regency.

From the above explanation, it can be perceived that some weaknesses appear in the presentation of financial reports for the village. When the financial reports do not satisfy the qualitative characteristics of the required information, it potentially contains some fraud. Theoretically, as mentioned by some researchers, in regard to the problems experienced by villages, it is revealed in the presentation of quality financial reports that they can be influenced by the Village Financial System (hereafter, SISKEUDES) application (Adillah et al., 2021; Gusasi & Lantowa, 2021; Irnanta & Putri, 2021), village apparatus training (Dika Octavia et al., 2021; Ermawati et al., 2022; Murina & Rahmawaty, 2017; Muzahid, 2014), and internal control systems (Nation, 2019; Hanifah, 2021; Hikma, 2020; Muthaher, 2019).

According to Gayatri & Latrini (2018), the use of SISKEUDES has improved the caliber of financial reports for the village in the Badung Regency. This result is consistent with studies done in Arjasari District, Bandung Regency, by Adillah et al. (2021). However, the study carried out by Budiarti et al. (2020) in Pekan Bada Subdistrict, Aceh Besar Regency, reported that the SISKEUDES application has no impact on the effectiveness of financial reporting.

Training for village officials is confirmed to be necessary to achieve a good quality of financial reports for the village. This requires support from competent resources of the village apparatus through the training that they followed. This is relevant to the research conducted by Romandhon (2019), demonstrating that in the Mojotengah District, Wonosobo Regency, the caliber of training had a favorable impact on the comprehension of financial reports for the village. Budiarti et al. (2020), who carried out research in Tebo Regency's Rimbo Ilir District, also noted the similar tendency. Contrary to Widyatama et al. (2017)'s research in Sigi Regency, the findings revealed that the responsibility of village fund administration involves unaffected by the officials' level of competency.

The internal control system, based on several previous studies, has an effect on the quality of financial reports. According to Sujana et al. (2020), the quality of financial reports for the village in Buleleng Regency, Bali Province, has been significantly impacted by the implementation of internal control measures within the government. The same results are also revealed in the research conducted by Hendaris & Romli (2021) in West Bandung Regency and also similar to the research conducted by Syafrudin & Saputra (2021) in Bengkulu City.

The present study is different from previous research in terms of the research location. The previous ones were conducted only at the sub-district level, while this current study was conducted in a whole district. In addition to that, the population of the previous study was less than 100 villages, while in this study were more than 100 villages (138 villages). Besides, the location chosen in this study has its characteristics, whereby the geographical location closely relates to the archipelago

area and is far from mainland Sumatra. Most of the areas have limited access to transportation in which only sea and air transports are available. Additionally, the most unique factor is the gap in access to transportation and information between villages and the capital city. It takes a relatively long time around four to five hours to get to the district capital from the village. While in regard to access to information technology, some villages still do not have internet access. Based on the description of the background and problems above, this research is entitled "The Effect of SISKEUDES Implementation, Village Apparatus Training, and Internal Control Systems on the Quality of Financial reports for the village in Simeulue Regency"

THEORETICAL FRAMEWORK AND HYPOTHESES

The decision-usefulness theory in accounting information is part of the normative theory (Staubus, 2000). This theory covers the requirements of useful accounting information quality for the decisions that will be made by accounting information users. Rules that financial reporting components must follow reflect the principle of the decision-usefulness of accounting information, which is anticipated to be beneficial in making economic decisions (Lestari & Dewi, 2020).

Implementing the village financial system has an impact on the quality of the financial report issued for the community by the village administration in Simeulue Regency (SISKEUDES), internal control systems and training of village machinery. The parties involved in developing future policy will benefit from the best possible SISKEUDES installation in a village government. Thus, the community can take benefit from a good quality of village financial management. After completing the program, village officials who have the necessary skills will generate good village finance management. As a result, village financial management will improve, resulting in financial reports of high quality. As a result, it is simpler for the stakeholders to decide on the appropriate policies.

A strong internal control system in a government organization will result in proper governance, in line with the a company's internal control system. Thus, it will reduce the risk of errors in the presentation of information so that appropriate decisions can be made and consequently will benefit the community. It can be stated that if The details in the village's financial report are accurate, then the performance of the village management is considered appropriate as well since the accounting information records describe the performance of the organization (Hajra, 2021).

Financial Report Quality

A financial report is required as evidence of the government's accountability to the public, in keeping with the growth of accounting in Indonesia's public sector (Fitriani et al., 2021). High-quality financial reports will guarantee the accuracy, timeliness, comparability, comprehension, and verification of these financial accounts (Cohen & Karatzimas, 2017). The government needs to maintain its financial quality by consistently implementing an accounting system, utilizing information technology in financial reporting, and continually improving employees' accounting understanding (Putri & Agustiawan, 2020). How well financial reports are written can be measured by several indicators, including being useful, timely, completed, honest, verifiable, comparable, and understandable (Dermawan et al., 2016).

SISKEUDES

To allow the implementation of effective village financial administration, Along with the Finance and Development Supervisory Agency (BPKP), the Central Government (Kemendagri) has created a sufficient and reliable computer software for the Village Financial System (SISKEUDES). Villages can manage their finances more conveniently and simply by using this program. The use of SISKEUDES is also emphasized by the appeal of the Corruption Eradication Commission through the letter Number B.7508/01-16/08/2016, dated August 31st, 2016, addressed to all the heads of the villages in Indonesia to comprehensively recognize and apply SISKEUDES

for village financial administration. The village financial system will provide benefits for the village government to produce more relevant and accountable information for those in need (Faizah & Kunci, 2022).

Village Apparatus Training

Employees' performance is highly important in financial management quality. The underlying reason is that employees' performance greatly influences financial management accountability (Tran et al., 2021). The lack of understanding of village government officials regarding village financial management guidelines makes education and training to be part of the efforts to overcome difficulties in preparing financial reports for the village. Another important aspect to mention is training. This activity can help increase capabilities to deal with some changes and adjustments to the system in the future (Murina & Rahmawaty, 2017). Human resource is one of the most important organizational elements. Adillah et al., (2021) mention that good financial management requires competent human resources. The village apparatus is an important element in the village fund management. A program will not run accordingly without the support of village officials. Therefore, competent village apparatus is required to conduct village affairs in line with the planned objectives.

Internal Control System

According to Romney & Paul (2014), internal control is a procedure that ensures that internal control objectives are met, including the upkeep of assets, the upkeep of records in sufficient detail to report company assets properly and accurately, the provision of accurate and reliable information, and the compilation of financial reports in accordance with specific criteria (2020). The Head of Public Agencies must create and maintain a regulatory atmosphere that promotes good behavior and is appropriate for the implementation of the internal control system in their workplace, according to Article 4 of the Administration in Government Regulation No. 60 of 2008. Internal control, as defined by the Committee of Organizations supporting the Treadway Commission (COSO, 2013) in Dickins & Fay (2017), contains the following elements: The first four areas are the control area, risk assessment, control actions, information and communication, and monitoring. In addition to promoting efficiency and conformity to the researcher's management standards, the assessment aims to safeguard organizational wealth (Riskiyanti, 2021).

The Effect of SISKEUDES Implementation on the Quality of Financial reports for the village

A village financial management application in the form of a SISKEUDES to aid and enable local authorities, supplied by the central government through BPKP in quickly and accurately reporting village finances (Gusasi & Lantowa, 2021). The existence of the SISKEUDES application is anticipated to assist the village government in managing all of the components associated to government and its natural resources more diligently and independently (Fathia & Indriani, 2022).

According to Puspasari and Purnama (2018), the quality of financial reporting is substantially impacted by how the village financial system is implemented through the use of technology. This suggests that when technology is employed, the adoption of the village financial system may have a bigger impact on the accuracy of financial reporting. Using the appropriate information technology will make it simpler for the village apparatus to embrace SISKEUDES. When properly implemented, the SISKEUDES may affect how informative the financial reports for the village are. The SISKEUDES was developed by the BPKP as a tool to improve local financial control (BPKP, 2016).

H1: The implementation of SISKEUDES affects the quality of financial reports for the village

The Influence of the Quality of Village Apparatus Training on the Quality of Financial reports for the village

Research conducted by Romandhon (2019) reported that knowledge of financial reports for the village is positively impacted by the caliber of training. This is in line with the research conducted by Yuniawati (2021). This is because the quality of training provided by related parties to village officials makes their understanding of financial reports for the village better, and the training also supports the process of compiling the financial reports. Thus, village officials will comply with the existing rules and submit reports on time. This implies that the more training the village apparatus participates in according to their field of work, the more skilled and qualified they will be to understand financial reports for the village. This is relevant to the research conducted by Muzahid (2014), reporting that there was a favorable correlation between financial report quality and training caliber.

H2: Village apparatus training affects the quality of financial reports for the village

The Effect of the Government's Internal Control System (SPIP) on the Quality of Financial reports for the village

The internal control system in the village significantly influences the quality of financial reporting. This is consistent with studies by Arens et al. (2008), Hendaris & Romli (2008), Surya Prayogo & Setiany (2020), and (2021). This is due to the Internal Control System of the Government (SPIP) establishes a reliable control environment, performs potential risk assessments, executes physical control procedures, maintains a constant flow of information and communication, and supervises the entire accounting and financial process that takes place financial reports for the accounting entity. By the construction of a stronger internal control mechanism inside the village government structure, the administration of village funds would be enhanced. According to the objectives of the village fund, its execution complies with pertinent laws and ultimately leads to the wellbeing of the villagers

H3: The internal control system affects how successfully the village's financial reports are generated.

Based on the framework described, the conceptual chart of this research framework is illustrated in Figure 1.

Figure 1.
Conceptual Framework
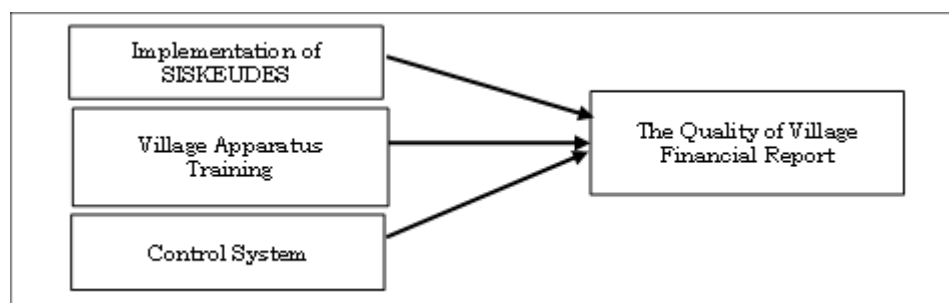
RESEARCH METHODS
Population and Sample

This study constitutes descriptive research conducted in Simeulu Regency. The population of this study included all villages in Simeulue Regency, consisting of 138 villages in total. This

study used a census technique, whereby the research unit involved the entire population. The
selected respondents were those directly involved in the management and decision-making
concerning the use of village funds, including the village heads, village secretaries, and village
treasurers as Village Financial Manager (PPKD). Therefore, the respondents amounted to 414
people from the samples of 138 villages multiplied by three people per village. All participants in
the study received questionnaires, which the research used as primary data. After data collection, it
was subjected to quality checks (such as validity and reliability checks) and traditional assumption
checks (such as normality, multicollinearity, and heteroscedasticity checks), and then to hypothesis
testing.

Table 1.
Variable Operationalization

Variable	Indicator	Scale
Financial Report Quality (Y)	1. Relevance level 2. Reliability level 3. Comparability level, 4. Understanding level. (Prayogo & Setiany, 2020)	Interval
Village Financial System (SISKEUDES) Implementation (X1)	1. Data security 2. Speed and timeliness of access 3. Accuracy 4. Report variable or output 5. Relevance and suitability (Oktazar & Lestari, 2021)	Interval
Village Apparatus Training (X2)	1. Training field 2. Training Quality 3. Training period (Murina & Rahmawaty, 2017)	Interval
Government Internal Control System (X3)	1. Control environment, 2. Risk assessment, 3. Control activities, 4. Monitoring (Government, 2008)	Interval

Source: Proceeded Data (2022)

RESULTS AND DISCUSSION

A sample of 138 respondents from Simeulue Regency's village officials, including In this
investigation, the village chief, village secretary, and village finance chief took part. The Internal
Control System, technical training, and SISKEUDES implementation were the independent
variables considered in this study. The caliber of financial reports served as the dependent variable
throughout this time. The descriptive statistical analysis used in this study includes the number of
data points (N), mean of the sample, maximum value, minimum value, and each variable's standard
deviation. Table 2 below provides a description of the descriptive statistical analysis' findings.

Table 2.
Descriptive Statistical Analysis of Research Variables

Variable	N	Minimum	Maximum	Mean	Standard Deviation
SISKEUDES Implementation (X_1)	138	1.52	5.00	4.3866	0.50738
Technical Training (X_2)	138	1.52	5.00	4.3866	0.50738
Internal Control System (X_3)	138	2.19	4.83	3.5241	0.38155
Financial Report Quality (Y)	138	3.00	5.00	4.2080	0.44279

Source: Proceeded primary data (2022)

The variable (X1) in Table 2 has a range of values between 1.52 and 5.00, with a mean score of 4.3866 and a standard deviation of 0.50738. It is demonstrated to have a minimum value of 1.52 and a maximum value of 5.00. The variable (X2) has a minimum value of 1.52 and a maximum value of 5.00, with a mean score of 4.3866 and a standard deviation of 0.50738. The variable (X3) also has a mean score of 3.5241 and a standard deviation of 0.38155, with the lowest and highest scores being 2.19 and 4.83, respectively. The mean score for the variable (Y) is 4.2080, with a standard deviation of 0.44279, and the minimum and highest values are 3.00 and 5.00, respectively.

Reliability Test

Table 3.
Reliability of Research Variable (Alpha)

NO.	Variable	Variable Item	Value of Alpha	Remark
1	Financial Report Quality	6	0.871	Reliable
2	SISKEUDES Implementation	7	0.839	Reliable
3	Technical Training	7	0.884	Reliable
4	Internal Control System	6	0.801	Reliable

Source: Primary Data 2022 (proceeded).

Based on Table 3, the reliability analysis showed that each variable obtains an increased alpha value than 0.6. Thus, the reliability of the research variables meets credibility.

Multicollinearity Test

Table 4.
Multicollinearity Test Results

Independent Variable	Tolerance	VIF	Remark
SISKEUDES Implementation	0.574	1.743	No multicollinearity
Technical Training	0.794	1.259	No multicollinearity
Internal Control System	0.915	1.092	No multicollinearity

Source: Research Result, 2022

Table 4 shows that the tolerance values of the independent variables are greater than 0.10 and the VIF values are less than 10. Ghozali (2016) claims that multicollinearity arises when a regression model's tolerance value is less than 0.10 and its VIF value is more than 10. As a result, the multicollinearity test's presumption was satisfied by the regression model of independent variables.

Heteroscedasticity Test

This study showed that the data spread randomly. For that reason, it can be ascertained that no heteroscedasticity problem exists. The results of the heteroscedasticity test are presented in Figure 2 below.

Figure 2.
Heteroscedasticity Test Results
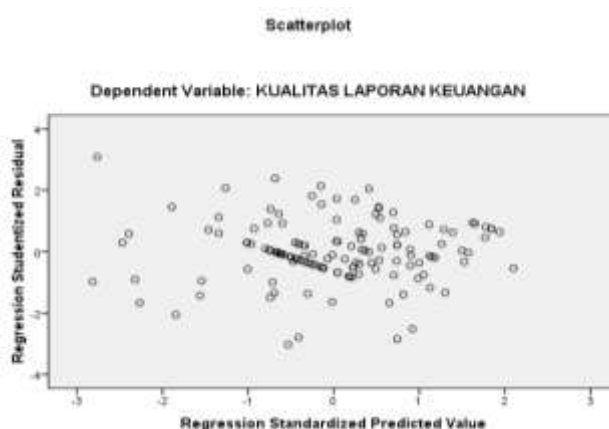
Autocorrelation Test

Table 5.
Autocorrelation Test Results

Du	Dw	4-Du	Remark
1,722	1,931	2,014	No autocorrelation exists

Source: Processed secondary data (2022)

Table 5 presents that each DW value is 1.931. The DW value is between Du of 1.722 and 4-Du of 2.184, meaning that no autocorrelation exists and the regression model has been met.

Multiple Linear Regression Analysis Test

Table 5.
Multiple Linear Regression Analysis Test Results

No	Variable	Coefficient Value	t-value	Sig. value	F-value	Sig	R^2
1.	Constant	1.059	2.072	0.002			
2.	SISKEUDES Implementation (X1)	0.155	9.652	0.042			
3.	Technical Training (X2)	0.128	3.114	0.040	38.152	0.000	0.761
4.	Internal Control System (X3)	0.654	2.057	0.000			

Source: Research Results, 2022

This study involved three independent variables and a sample of 138 people. Then, the degree of freedom (DF) 1 is 3, and DF2 is 138-3-1=134. The multiple linear regression equation was developed using the SPSS program and was based on the findings, which are shown in Table 5.

$$Y = 1.059 + 0.155X_1 + 0.128X_2 + 0.654X_3 + e$$

The regression equation returns a constant value of 1.059, indicating that the value of (Y) equals 1.059 if the variables (X1), (X2), and (X3) are constant. Regression coefficient for (X1) is 0.155, indicating a positive connection between (X1) and (Y) of 0.155. According to the (X2) regression coefficient, there is a positive correlation between (X2) and (Y) of 0.128. The regression coefficient of (X3) is 0.654, indicating a positive correlation between (X3) and (Y) of 0.654.

90

Also, an F-value of 38.152 was discovered along with a significance level of 0.000 or less than 0.05 in the data. This result shows that variables (X1), (X2), and (X3) have an impact on (Y). The association between (X1), (X2), and (X3) amounts to 0.879 or 87.9%, according to the R-value of 0.461. (Y). While the variance of the variables (X1), (X2), and (X3) that explain (Y) is shown by the R Square value of 0.761, or 76.1%, the remaining 23.9 is explained by other factors outside of this research.

Simultaneous Test

The Effect of SISKEUDES implementation, technical training, and internal control systems on the financial report quality

The F-value is 38.152, and the F-statistic is 2.67. Since F-value > F-statistic, then Ho is rejected. This finding implies a simultaneous influence of SISKEUDES implementation, technical training, and internal control systems on the quality of financial reports.

The utilization of SISKEUDES, technical training, and internal control systems, as well as the accuracy of financial reporting, are correlated, as shown by the R-value of 0.879, or 87.9%. The R Square-value of 0.761 indicates that the deployment of SISKEUDES, technical training, and internal control systems all have a variance of 0.761, or 76.1%, on the quality of financial reports; the remaining 23.9% is accounted for by other variables outside the purview of this study.

Partial Test

The Effect of SISKEUDES implementation on the financial report quality

The regression analysis for the second hypothesis of this study was conducted to determine whether SISKEUDES implementation on the financial report quality has a partial effect. The results reported that the regression coefficient value of the SISKEUDES implementation (X1) is $\beta_1 = 0.172$. The hypothesis testing suggests that $\beta_i \neq 0$, then H_a is accepted. That is, SISKEUDES implementation has an effect on the quality of financial reports for the village in Simeulue Regency.

The Effect of technical training on the financial report quality

The regression analysis for the third hypothesis was performed to determine whether technical training has an effect on the financial report quality. The test results reported that the regression coefficient value of the technical training (X2) is $\beta_2 = 0.146$. The hypothesis testing revealed that $\beta_i \neq 0$ then H_a is accepted. Thus, technical training has an effect on the quality of financial reports.

The Effect of internal control systems on the financial report quality

To ascertain whether the internal control system has an impact on the caliber of financial reports, regression testing was done for the fourth hypothesis in this study. According to the findings, the internal control system's (X3) regression coefficient value is $\beta_3 = 0.640$.

Discussion

The Effect of SISKEUDES implementation, technical training, and internal control systems on the financial report quality

H0 is disregarded since the F-value is 38.152 and the F-statistic is 2.67. This demonstrates how the deployment of SISKEUDES, technical training, and internal control systems all have an impact on the accuracy of financial reports.

Similar research was done by Sabon (2018), and the results shown that the internal control system and the deployment of the SISKEUDES application have an effect on the veracity of

financial reports for the village in the Koting District, Sikka Regency. This implies that by utilizing the SISKEUDES program and better internal control systems, the village administration will be able to publish good financial reports for the village. The findings of this study, however, diverge considerably from those of Riyanita's (2020) study, which found that the quality of financial reporting is improved through the use of internal control systems and information technology. On the other hand, training has little to no impact on the quality of financial reporting.

The Effect of SISKEUDES implementation on the financial report quality

The test results showed that the regression coefficient value of the SISKEUDES implementation (X1) is $\beta_1 = 0.172$. The hypothesis testing remarks that $\beta_i \neq 0$, then Ha is accepted. Therefore, SISKEUDES implementation has an effect on the quality of financial reports for the village in Simeulue Regency.

The results pointed out that SISKEUDES implementation has an impact on the quality of financial reports. According to Harjanti (2019), developing the SISKEUDES application aims to assist village governments to be more independent in managing village finances effectively and better. Through this application, the village gets the convenience of simplicity in managing village finances and reports aligned with applicable rules and regulations. This application will make it easier for village officials to quickly and efficiently make reporting and accountability for village finance (Rahmawati & Fajar, 2017 in Puspasari & Purnama, 2018).

The SISKEUDES application relates to Decision Usefulness Theory. This theory requires that accounting information should have a quality that is useful to its users. In implementing this theory, the village government must create and present quality financial reports to each user to provide valuable information for all interested parties, both internal and external. The existence of SISKEUDES will assist village financial managers in compiling financial reports. Consequently, if they acquire a good understanding of SISKEUDES application, the material errors might lessen. It thereby will produce high-quality financial reports so that the information provided in the reports can be useful for users and they can arrive at good decisions easily.

According to Maryam et al. (2021) and Hasliani & Yusuf (2021), according to the aforementioned earlier research, the implementation of the SISKEUDES impacts the standard of local financial reports. Another study (Rizani, 2021) contends that the use of SISKEUDES has a favorable effect on the caliber of financial reports for the village. According to the analysis's findings, there is a considerable impact of the SISKEUDES's implementation on the caliber of financial reports. It implies that the SISKEUDES implementation procedure has been simplified, which affects how well the financial reports for the village are produced.

The Effect of technical training on the financial report quality

The test results showed the regression coefficient value of the technical training (X2) amounts for $\beta_2 = 0,146$. The hypothesis testing indicates that $\beta_i \neq 0$, then Ha is accepted. Hence, technical training influences the quality of financial reports for the village.

Of course, policymakers expect quality financial reports for decision-making. Thus, the accountants must ensure that accounting information contains the characteristics needed in a financial report. The decision-usefulness theory supports that technical training for village infrastructure has an impact on financial reporting's caliber, whereby village apparatus who have attended the training will have abilities or skills to compile quality financial reports following their characteristics. As a result, it will be easy for users of financial reports to understand and reach a decision in the future.

These study results are aligned with several previous studies, i.e., Amalia (2017), Oktavia et al. (2015), Hartati, (2016), and Suryani, (2017). Training aimed at improving the human resource quality, specifically technical training for the use of government financial accounting systems and

information technologies, will improve the quality of employees. The training will affect the way in prepare financial reports. Regulation changes that constantly occur should be balanced with the training, thereby acquiring sufficient ability to prepare financial reports.

The Effect of internal control systems on the financial report quality

The test results reported that the regression coefficient value of the internal control systems (X_3) amounts for $\beta_3 = 0.640$. The hypothesis testing indicates that if sig < 0.05, H_a is accepted. Therefore, internal control systems affect the report quality for village finances.

Policymakers definitely need quality financial reports to make a decision. For that reason, the accountants must assure accounting information has the characteristics required in a financial report. The decision-usefulness theory demonstrates that internal control systems have a positive impact on the accuracy of financial reports, in which the accountants will draft quality financial reports if internal control systems are well-implemented. Thus, high-quality financial reports will be made. Those who use the reports will understand the information quickly when coming to a decision in the future.

The findings confirm other studies by a number of authors, including Trisnani (2017), Rendika (2013), Mulyati et al. (2019), and Firmansyah & Sinambela, which found that the quality of financial reporting is influenced by the efficacy of the internal control system (2020). The internal control system will undoubtedly have an effect on how trustworthy the village's financial reports are. The internal control system is a critical element of all ongoing actions and activities undertaken by the leadership and all employees, according to Government Regulation No. 60 of 2008, in order to ensure that organizational goals are met through effective and efficient operations, accurate financial reporting, the protection of state assets, and adherence to laws and regulations. The primary line of defense against the falsity of data and information used in the production of financial reports is internal control, the cornerstone of sound governance.

CONCLUSION

The research comes to the conclusion that the internal control systems, technical training, and SISKEUDES implementation have a favorable and substantial influence on the caliber of financial reports for the village in Simeulue Regency. However, this study has several limitations. First, this study gathered data only from questionnaires and did not undertake an in-depth interview. As such, this study has not obtained more detailed information from respondents. Second, the respondents involved in the study were limited to the village heads, village secretaries, and finance officers. To explore issues related to financial reports for the village, it would be better to add elements from the Village Consultative Agency (BPD), Village Community Empowerment Service (DPMD), Regional Financial Management Agency (BPKD), and elements from the Government Internal Supervisory Apparatus (APIP). Hence, a comparison between information received from the village apparatus and elements outside the village government will be retrieved.

It is recommended for further researchers to study more than one regency. Then, the results can be generalized to a broader scope, strengthening the external validity needed for further research. It is also expected that further research can conduct interviews as an additional data collection technique. It helps describe the condition under the actual situation. Besides, it is suggested to add other variables that can affect the understanding of financial reports for the village, such as human resources, communication, work division, position, and accounting system implementation.

REFERENCES

Adillah, R., Muhammad, R., & Apriady, A. (2021). Pengaruh Kompetensi Perangkat Desa Dan Penerapan SISKEUDES Terhadap Kualitas Laporan Dana Desa (Survey''Pada''Desa-Desa Di Kecamatan Arjasari). *Indonesian Accounting Research Journal*, *1*(2), 261–270.

Amalia, R. (2017). Pengaruh Pemahaman Standar Akuntansi Oemerintahan (SAP), Transparansi,
    Pelatihan Terhadap Kualitas Laporan Keuangan Satuan Kerja Perangkat Daerah Kota Meda.
    Jurnal Akuntansi, 2(2), 1–17.

Arens, A. A., Elder, R. J., Beasley, M. S., & Jusuf, A. A. (2008). *Auditing dan Jasa Assurance :
    Pendekatan Terintegrasi Jilid 1. Edisi keduabelas. Jakarta : Salemba Empat*. 1–17.

Bangsa, I. N. (2019). The Effect of Internal Control Systems, Accounting Systems on the Quality
    of Financial Statements Moderated by Organizational Commitments. *Accounting Analysis
    Journal*, 7(2), 127–134. https://doi.org/10.15294/aaj.v7i2.20616

Budiarti, D., Anjaya, R. A. T., & Girsang, R. N. (2020). Pengaruh Tingkat Pendidikan, Kualitas
    Pelatihan, Pengalaman Kerja Dan Pemahaman Akuntansi Aparatur Desa Terhadap
    Pemahaman Laporan Keuangan Desa (Studi Kasus Pada Kecamatan Rimbo Ilir Kabupaten
    Tebo) Effect. *Jurnal Ilmiah Akuntansi Dan Bisnis*, 1(8), 14–27.

Cohen, S., & Karatzimas, S. (2017). Accounting information quality and decision-usefulness of
    governmental financial reporting. *Emerald Insight*, 25(1), 95–113.

Dermawan, J., Darwanis, D., & Abdullah, S. (2016). Analisis kualitas pelaporan keuangan pada
    satuan kerja Kementerian Negara / Lembaga Lingkup Kantor Pelayanan. *Jurnal Akuntansi*,
    5(4), 60–68.

Dickins, D., & Fay, R. G. (2017). COSO 2013: Aligning internal controls and principles. *Issues in
    Accounting Education*, 32(3), 117–127. https://doi.org/10.2308/iace-51585

Dika Octavia, D., Puspita, I. L., & Lukman, I. (2021). Pengaruh Kompetensi Sumber Daya Manusia
    , Pemanfaatan Teknologi Informasi , Tingkat Pendidikan , Pengalaman Kerja Dan Pelatihan
    Terhadap Kualitas Laporan Keuangan (SKPD Provinsi Lampung) Dika Octavia , Indah Lia
    Puspita , Iing Lukman , Program Studi Aku. *Jurnal Riset Akuntansi Dan Manajemen*, 10(1),
    20–26.

Ermawati, L., Novalita, & Isabela, A. A. (2022). Pengaruh Pendidikan dan Pelatihan Terahadap
    Pemahaman Akuntansi Sektor Publik di Keuangan Rumah Sakit Abdul Moloek Provinsi
    Lampung. *Journal of Accounting Taxing and Auditing (JATA)*, 3(1), 34–41.

Faizah, A., & Kunci, K. (2022). *Analisis Penerapan Aplikasi Sistem Keuangan Desa (Siskeudes)
    dalam Pengelolaan Keuangan Di Desa Banyudono Kecamatan Dukun*. 5(1), 763–776.

Fathia, J., & Indriani, M. (2022). Pengaruh sistem keuangan desa terhadap pencegahan kecurangan
    (fraud) pengelolaan dana desa dengan moralitaPengaruh Sistem Keuangan Desa Terhadap
    Pencegahan Kecurangan (Fraud) Pengelolaan Dana Desa dengan Moralitas Individu Sebagai
    Pemoderasi (Studi di Des. *Proceeding of National Conference on Accounting & Finance*, 4(0),
    455–468. https://doi.org/10.20885/ncaf.vol4.art57

Firmansyah, I., & Sinambela, R. T. (2020). Pengaruh Sistem Pengendalian Internal Terhadap
    Kualitas Laporan Keuangan Pada Badan Pengelolaan Keuangan dan Aset Daerah Provinsi
    Jawa Barat. *Land*, 1(1), 1–15.

Fitriani, D., Masitoh, E., & Siddi, P. (2021). Analisis Determinan Kualitas Laporan Keuangan
    Pemerintah Desa Di Wilayah Kecamatan Laweyan Surakarta. *Jurnal Akuntansi Dan Pajak*,
    22(02)(71), 876.

Gayatri, G., & Latrini, M. Y. (2018). Efektivitas Penerapan Sistem Keuangan Desa dan Kualitas
    Laporan Keuangan Desa. *Jurnal Ilmiah Akuntansi Dan Bisnis*, *13*(2), 113–122.
    https://doi.org/10.24843/JIAB.2018.v13.i02.p05

Ghozali, I. (2016). Aplikasi Analisis Multivariete dengan Program IBM SPSS 23 Main. *Badan
    Penerbit Universitas Diponegoro*, 8619.

Gusasi, S. A., & Lantowa, F. D. (2021). Analisis Penerapan Aplikasi SISKEUDES dalam
    Meningkatkan Kualitas Akuntabilitas Keuangan Desa di Desa Huyula. *Journal Syariah and
    Accounting Public*, 4(1). https://doi.org/10.31314/jsap.4.1.15-23.2021

Hajra, D. (2021). Factors Affecting the Reliability of Sunscreen Protection Factors. *Jurnal Ilmu*

Manajemen, 5(1), 21–31.

Hanifah, A. Z. (2021). *Analisis Pengaruh Penerapan Good Governance , Sistem Akuntansi Pemerintahan Dan Pengendalian Intern Terhadap Kualitas Laporan Keuangan Studi Pada Seluruh Skpd Pengelola Keuangan Pemerintah Kabupaten / Kota Se-Jawa Tengah. 10*, 1–7.

Harjanti, G. (2019). *Pengaruh Aplikasi Sistem Keuangan Desa (Siskeudes) Terhadap Kualitas Laporan Keuangan Dengan Kompetensi Sumber Daya Manusia Sebagai Variabel Pemoderasi (Studi Pada Pemerintah Desa di Kecamatan Pedan). 8*(5), 55.

Hartati. (2016). Pengaruh Pendidikan, Pelatihan Teknis Keuangan dan pengalaman Kerja Terhadap Kualitas Laporan Keuangan (Studi Pada SKPD Provinsi Sulawesi Tengah). *E Jurnal Katalogis*, *4*(9), 41–52.

Hasliani, M., & Yusuf, M. (2021). YUME : Journal of Management Pengaruh Implementasi Aplikasi Sistem Keuangan Desa dan Transparansi terhadap Kualitas Laporan Keuangan Pemerintah Desa. *YUME : Journal of Management*, *4*(1), 179–192. https://doi.org/10.37531/yume.vxix.234

Hendaris, B., & Romli, R. (2021). Effect of Village Apparatus Performance, Internal Control, Information Technology Utilization on Village Fund Accountability and Implications on Quality Village Financial Report. *Dinasti International Journal of Management Science*, *2*(4), 569–580. https://doi.org/10.31933/dijms.v2i4.784

Hikma, N. (2020). Pengaruh Sistem Pengendalian Intern Dan Kompetensi Sumber Daya Manusia Terhadap Kualitas Laporan Keuangan Pemerintah Daerah Kota Makassar. *Jurnal Ilmiah Akuntansi*, *6*, 7–10.

Irnanta, H., & Putri, N. L. I. (2021). Strategy for the Implementation of the Village Financial System Application Effectively and Efficiently. *Wiga : Jurnal Penelitian Ilmu Ekonomi*, *11*(1), 50–56. https://doi.org/10.30741/wiga.v11i1.653

Karimah, F., Saleh, C., & Wanusmawatie, I. (2014). Pengelolaan Alokasi Dana Desa Dalam Pemberdayaan Masyarakat (Studi pada Desa Deket Kulon Kecamatan Deket Kabupaten Lamongan). *Jurnal Administrasi Publik*, *2*(4), 597–602.

Lestari, N. L. W. T., & Dewi, N. N. S. R. T. (2020). Pengaruh Pemahaman Akuntansi, Pemanfaatan Sistem Informasi Akuntansi Dan Sistem Pengendalian Intern Terhadap Kualitas Laporan Keuangan. *KRISNA: Kumpulan Riset Akuntansi*, *11*(2), 170–178. https://doi.org/10.22225/kr.11.2.1435.170-178

Liputan6.com. (2021). *Modus Kades di Aceh Tilap Dana Desa, Kerugian Negara Ratusan Juta*. Liputan6.Com. https://www.liputan6.com/regional/read/4834188/modus-kades-di-aceh-tilap-dana-desa-kerugian-negara-ratusan-juta

Maryam, Sellang, K., & Erfina. (2021). Pengaruh Implementasi Aplikasi Sistem Keuangan Desa (SISKEUDES) Terhadap Kualitas Laporan Keuangan Desa di Kecamatan Maiwa. *Jurnal Ilmiah Administrasi (JIA)*, *9*(3), 171–180.

Mulyati, N. S., Faridah, E., & Prawiranegara, B. (2019). Pengaruh Sistem Pengendalian Intern Terhadap Kualitas Laporan Keuangan. *Jurnal Akuntapedia*, *1*(1), 60–71.

Murina, S., & Rahmawaty. (2017). Pengaruh Tingkat Pendidikan, Kualitas Pelatihan, Dan Pengalaman Kerja Aparatur Desa Terhadap Pemahaman Laporan Keuangan Desa (Studi Pada Kecamatan Banda Raya Kota Banda Aceh). *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi (JIMEKA)*, *2*(3), 111–120.

Muthaher, O. (2019). Government Accounting Standard, Human Capacity, Internal Control System and Financial Supervision As a Quality Analysis of Government Financial Statements. *Fokus Ekonomi : Jurnal Ilmiah Ekonomi*, *14*(1), 186–200. https://doi.org/10.34152/fe.14.1.186-200

Muzahid, M. (2014). Pengaruh Tingkat Pendidikan, Kualitas Pelatihan, dan Lama Pengalaman Kerja terhadap Kualitas Laporan Keuangan SKPD ACEH UTARA. *Jurnal Akuntansi*, *2*, 179–196.

Oktavia, P., Fatiah, N., & Rasidah. (2015). pengaruh Pendidikan, Pelatihan dan Pemahaman SAP

Berbasis Akrual Terhadap Penyususnan Laporan Keuanagan pada Pemerintah Kota Banjarmasin. *JSAI*, *2*(1), 13–24.

Oktazar, E., & Lestari, S. (2021). Aplikasi Sistem Keuangan Desa (SISKEUDES) dan Kinerja Pelaporan Keuangan (Studi pada Kecamatan Peukan Bada Kabupaten Aceh Besar). *Journal of Economics Science*, *7*(1), 1–15.

Pemerintah. (2008). *w w w l it a s . or g*.

Prastiwi, D. (2021). *6 Pernyataan Jokowi soal Komitmen Pemerintah Membangun Desa*. Liputan 6. https://www.liputan6.com/news/read/4810672/6-pernyataan-jokowi-soal-komitmen-pemerintah-membangun-desa

Prayogo, I. M., & Setiany, E. (2020). The Influence of Government Transparency, Implementation of the Government Accounting Standards and Internal Control System on Quality of Financial Statement (A Survey Conducted in the Village Administration Bandung Regency, Indonesia). *Scholars Bulletin*, *6*(7), 174–181. https://doi.org/10.36348/sb.2020.v06i07.001

Puspasari, O. R., & Purnama, D. (2018). Implementasi Sistem Keuangan Desa dan Kualitas Laporan Keuangan Pemerintah Desa di Kabupaten Kuningan. *Jurnal Kajian Akuntansi*, *2*(2), 145. https://doi.org/10.33603/jka.v2i2.1719

Putri, N. R., & Agustiawan, A. (2020). Faktor-Faktor yang Mempengaruhi Kualitas Laporan Keuangan Pemerintah Daerah (Studi pada OPD Kabupaten Kampar). *Muhammadiyah Riau Accounting and Business Journal*, *1*(2), 100–109. https://doi.org/10.37859/mrabj.v1i2.1996

Rendika, M. (2013). Pengaruh Pelaksanaan Sistem Pengendalian Intern Pemerintah dan Peran Inspektorat Terhadap Penyalahgunaan Aset (Studi Empiris Pada Pemerintah Daerah Kota Padang). *Jurnal Akuntansi*, *2*(2), 1–18.

Republik Indonesia. (2014). *Undang-undang Nomor 6 Tahun 2014 Tentang Desa*.

Riskiyanti, K. I. (2021). Evaluasi Audit Internal atas Prosedur Pemberian Kredit dengan Ajaran Karma Phala sebagai Pedoman Penyelesaian Kredit Bermasalah. *Jurnal Ilmiah Akuntansi Dan Humanika*, *11*(3), 569–579.

Riyanita, A. G. (2020). Analisis Pengaruh Sistem Pengendalian Internal, pelatihan dan pemanfaatan teknologi Informasi terhadap Kualitas Laporan Keuangan (STudi Empiris Pada Perangkat Desa di Kabupaten Sleman). *Jurnal Akuntansi Bisnis*, *18*(1), 115–128.

Rizani, U. (2021). Pengaruh Sistem Pengendalian Internal, Kualitas Sumber Daya Manusia, Pengawasan Masyarakat, dan Efektivitas Penerapan Sistem Keuangan Desa (SISKEUDES) Terhadap Kualitas Laporan Keuangan Desa (Survei Pada Desa-Desa di Kecamatan Pracimantoro dan Kecamatan E. *Jurnal Sekolah Tinggi Ilmu Ekonomi YKPN*, *2*(2), 1–13.

Romandhon, R. (2019). Pengaruh Tingkat Pendidikan, Kualitas Pelatihan, Pengalaman Kerja Aparatur Desa, dan Fasilitas Kantor Terhadap Pemahaman Laporan Keuangan Desa (Studi Empiris pada Aparatur Desa di Kecamatan Mojotengah Kabupaten Wonosobo). *Journal of Economic, Management, Accounting and Technology*, *2*(1), 91–106. https://doi.org/10.32500/jematech.v2i1.578

Romney, M. B., & Paul, J. S. (2014). *Accounting Information Systems* (ThirTeenTh). Brigham Youn University.

Sabon, M. S. I. (2018). Pengaruh sistem pengendalian internal dan pemanfaatan aplikasi Sistem Keuangan Desa (SISKEUDES) terhadap kualitas laporan keuangan desa di Kecamatan Koting Kabupaten Sikka. *Jurnal Akuntansi Profesi*, *2*(2), 1–13.

Staubus, G. J. (2000). The decision-usefulness theory of accounting: A limited history. *Psychology Press*, 1–347. https://doi.org/10.4324/9780203055533

Sujana, Saputra, K. A. ., & Manurung, D. T. . (2020). Internal control systems and good village governance to achieve quality financial reports for the village. *International Journal of Innovation, Creativity and Change*, *12*(9), 98–108.

Surya Prayogo, I., & Setiany, E. (2020). The Influence of Government Transparency,

Implementation of the Government Accounting Standards and Internal Control System on Quality of Financial Statement (A Survey Conducted in the Village Administration Bandung Regency, Indonesia). *Scholars Bulletin*, *6*(7), 174–181. https://doi.org/10.36348/sb.2020.v06i07.001

Suryani, D. (2017). Pengaruh Pendidikan, Pelatihan, Beban Kerja, Pengalaman Kerja, dan Pemahaman Standar Akuntansi Pemerintahan terhadap Kemampuan Penyusunan Laporan Keuangan oleh Pejabat Penatausahaan Keuangan pada Satuan Kerja Perangkat Daerah di Lingkungan Pemerintah kabu. *Journal of Accounting Research and Review*, *10*(1), 37–46.

Syafrudin, & Saputra, I. A. A. (2021). Pengaruh Sistem Pengendalian Intern Pemerintah dan Sistem Informasi Keuangan Daerah Terhadap Kualitas Laporan Keuangan (Studi Kasus pada Badan Pengelolaan Keuangan Dan Aset Daerah Kota Bengkulu). *JURNAL AKUNTANSI UNIHAZ:JAZ*, *4*(2), 201–206.

Tran, Y. T., Nguyen, N. P., & Hoang, T. C. (2021). The role of accountability in determining the relationship between financial reporting quality and the performance of public organizations: Evidence from Vietnam. *Journal of Accounting and Public Policy*, *40*(1), 106801. https://doi.org/10.1016/j.jaccpubpol.2020.106801

Trisnani. (2017). Pengaruh Sistem Pengendalian Intern Terhadap Keandalan Laporan Keuangan Dengan Mediasi Penatausahaan Aset Tetap. *Jurnal Bisnis Dan Manajemen*, *11*(3), 271–282.

Widyatama, A., Novita, L., & Diarespati. (2017). Pengaruh Kompetensi Dan Sistem Pengendalian Internal Terhadap Akuntabilitas Pemerintah Desa Dalam Mengelola Alokasi Dana Desa. *Jurnal Akuntansi Dan Keuangan Indonesia*, *2*(2), 1-2-. https://doi.org/10.54259/akua.v1i1.140

Yuniawati, A. S. (2021). The Influence of Village Aparators Competency on The Quality of Village Financial Statements. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, *5*(1).

FACTORS AFFECTING INTEREST IN USING E-COMMERCE AND E-WALLET WITH USING TECHNOLOGY ACCEPTANCE MODEL

Vika Fitranita[1), Intan Zoraya[2) Indah Oktari Wijayanti[3)
Faculty of Economics and Bussines, Universitas Bengkulu[1.2,3]

ARTICLE INFO	ABSTRACT
  Correspondence: Vika Fitranita Vika.fitranita@unib.ac.id	*This study aims to determine the Influence of Interest in Using an E-Commerce-Based Accounting Information System and the interest of OVO customers using the Technology Acceptance Model (TAM). Data collection was carried out by giving questionnaires to respondents using OVO and Tokopedia in Bengkulu City. The sample in this study were 215 respondents using OVO and Tokopedia. Measurement of data in this study using Multiple Regression analysis with analysis tools using data processing software Eviews 12. In this study used data quality test, classical assumption test (normality test, multicollinearity test, and heteroscedasticity test), multiple linear regression analysis and hypothesis testing. The results of the study show that the ease of use variable has no effect on interest in use, the variables perceived usefulness, trust, attitudes towards use are significantly positive on interest in use, risk variables have a significant negative effect on interest in use.*

How to cite (APA Style):
Fitranita,Vika,Intan,Indah.(2023). Factors Affecting Interest In Using E-Commerce And E-Wallet With Using Technology Acceptance Model, *urnal Akuntansi,98-108*

Introduction

The corona virus disease 2019 (covid-19) outbreak which was designated as a pandemic by the world health organization (who) has had a huge impact and impact on various sectors and lines of life, one of which is the economic and business sectors. Covid-19 has caused an economic shock, which has affected the economy of individuals, households, micro, small, medium and large companies, and has even affected the country's economy with a local, national, and even global scale of coverage (taufik and ayuningtyas, 2020). The areas of the economy that are feeling the impact and influence of covid-19 are trade, investment, transportation and tourism. On the one hand the economy has decreased, but on the other hand the economy has increased in the field of electronic commerce (e-commerce). This happened in indonesia where many companies engaged in e-commerce posted an increase in sales volume during the pandemic. The use of e-commerce also carries out the appeal from the government to avoid shopping offline and carry out social and physical distancing as an effort to prevent the spread of the corona virus. In addition, the use of e-commerce is in line with the government's call to limit the use of cash and paper by using digital applications, namely digital wallets (e-wallet).

Global technological advances in the economic field are now being widely discussed, one of which is in the form of applications that lead to goods and services transaction activities on the internet known as e-commerce. The advantage of e-commerce itself is buying and selling activities whose transactions are in the form of cashless or non-cash payment systems. The majority of people choose to make buying and selling transactions through e-commerce because it is more convenient and does not need to go to stores or shopping centers, and payments can be made easily and quickly. Access to e-commerce today can be through applications on mobile phones that do not require too much capital to operate. Only by requiring a strong provider signal connection to access the internet, users can use e-commerce easily, practically, and quickly. Likewise with the use of digital wallets, people's shift from using cash to transactions is interesting to study. Public psychology who thinks that cash is not clean and can be a bridge for the transmission of the virus makes people assume to switch to digital payments.

According to the head of the payment system policy department of bank indonesia (bi), during the pandemic e-commerce sales increased by 26% with new consumers by 51%. Digital payments are also increasing with the use of technology. (mediaindonesia.com, september 2020). In addition, economic activity in e-commerce recorded an increase of up to 40.6%. According to the big data review on the impact of covid-19 2020 compiled by the central statistics agency (bps), online sales also spiked sharply during the pandemic (m.liputan6.com, july 2020). During this pandemic, most business people, both big and small, will depend on e-commerce to keep their business activities running well. One of the e-commerce companies that can achieve success by utilizing current technological advances in indonesia is tokopedia. In this study, the objects used are tokopedia and ovo because tokopedia is a startup company that develops no. 2 in indonesia and it is known that tokopedia's valuation reached 7 billion us dollars as well as ovo in the research of the iprice group and app annie stated that ovo is the most popular digital wallet application in indonesia with a valuation of 2.9 billion us dollars with an estimated revenue of 1.3 million us dollars per year, equivalent to approximately rp. 17.7 billion.

Increase users, we need good and easy-to-use e-commerce and e-wallet, and security is the most important thing for users. The information system in the application can improve user productivity and keep them competitive until they reach the international market. The behavioral intention of the company can find out the real response of tokopedia and ovo users in using the application continuously. Technology acceptance model (tam) is a suitable model to predict individual interest or desire in accepting technology (davis, 1989). In the tam model there are two main constructs, namely perceived ease of use (perceived ease of use) and perceived usefulness (perceived usefulness) (jogiyanto, 2007). There is an attitude towards using construct in the tam model that can be used to predict interest, but this construct is still rarely used. In addition to tam, there are several external factors that can be used to predict interest, such as risk and trust.

Literature Review

The tam study developed by davis in 1987 explains that ease of use is a factor in the acceptance of a technology, he even mentions that perceived ease of use is an important factor for individuals in using information technology. Perceived ease of use is used to measure a person's belief in the ease of using technology as well as being easy to understand so as to make users free from effort (davis, 1989). Abadi (2019) has conducted research on ovo customers with the results that perceived convenience has a significant and positive influence on user interest. If someone does not feel the ease of using a technology, then they will not use it (febriyanto, 2019). The ease of transacting and finding the desired item is one example of the purchase cycle in e-commerce that can increase someone's interest in using the application. The higher the level of ease of use of the existing system in the tokopedia application, the more interest of users to use the application and the higher the level of ease of use of the payment system using the ovo application, the more interest in the application users.

H1 : there is a positive influence between perceived ease of use and interest in using an e-commerce-based accounting information system on the tokopedia application and interest in using ovo as a means of payment.

Davis et. Al (1989) provides an explanation that perceived usefulness as a construct of belief that the use of a technology can improve one's performance. Perceived benefits are beliefs where a person believes that a useful technology can have a positive impact on improving performance (febriyanto, 2019). Abadi (2019) conducted a study with the results of perceived usefulness positively influencing ovo customer interest in using the application. Jogiyanto (quoted by puspaningtiyas, 2016) defines that perceived benefits can be trusted to help the company's decision-making process. Research by ma'aruf (2016), shows that there is no significant relationship between

perceived benefits and behavioral interest in using e-money. In conclusion, a technology increases interest if one knows the benefits of the technology both in improving performance and in making a decision. The higher the usability of the technology perceived by the users, this will further increase the interest of the users to use the application.

H2 : there is a positive influence between perceived usefulness and interest in using an e-commerce-based accounting information system on the tokopedia and ovo applications as a means of payment.

Risk is uncertainty that cannot be measured but can be predicted. Good uncertainty is commonly called opportunity. But the uncertainty that will be discussed by researchers is the risk that has a bad effect on users of information system technology in e-commerce. The higher the level of bad risk that will arise, the interest of users in using technology will decrease, causing worries and losses. According to pavlou (in amijaya, 2010), risk is defined as a subjective estimate of consumers experiencing losses in receiving the desired results. Abadi (2019) has conducted research with the results of the risk of negatively affecting ovo customer interest in using it. Abadi (2019) explains that the small risk in using the ovo application and a sense of security will increase customer interest in using ovo. If users feel that the tokopedia application does not have a high risk, then the user will use the tokopedia application. High risk can reduce interest in use. Therefore, it can be seen that risk affects usage interest. The lower the level of risk perceived by users, this can increase user interest.

H3 : there is a negative influence between risk and interest in using an e-commerce-based accounting information system on the tokopedia and ovo applications as a means of payment.

Consumer trust is used to reduce the level of complexity of human behavior when someone faces a situation of uncertainty (ardiyanto & kusumadewi, 2020). Trust is an expectation that a technology can be trusted in its ability to complete its tasks well (lui & jamieson, 2003). According to grabner-kraeuter (quoted by ardiyanto and kusumadewi, 2020), consumer confidence can show the potential of online shopping companies in the long term. Research conducted by abadi (2019) shows that trust positively affects ovo customer interest in using applications. The higher the level of user trust in e-commerce technology, the greater the user's interest in the application. If users feel confident and confident that the tokopedia application is safe and meets their expectations, then this can increase interest in using the application. And if the user believes that the ovo application can be used as a means of payment, it can increase the use of the ovo application

H4 : there is a positive influence between trust and interest in using an e-commerce-based accounting information system on the tokopedia and ovo applications as a means of payment.

When tam was developed, davis et al (1989) found that attitudes did not show a significant relationship. Attitude is defined as a tendency to respond to an object consistently, both favorable and unfavorable. A person's attitude towards information systems is important as it can influence behavior and social influence. Research conducted by novitasari (2016) shows the results of attitudes affect interest in using e-commerce. A person's attitude in accepting or rejecting a technological system that has developed can affect the interest in using e-commerce. A person's attitude arises because they feel and judge for themselves an e-commerce system in its use. Vijayasarathy (2003) also shows that attitude has a strong influence on intention. Attitudes in using are in the form of user perceptions in accepting or rejecting the existing technology model in a

system. If users increasingly accept the positive and reject the negative according to the policies and regulations that exist in the tokopedia and ovo applications, this can increase their interest in using the application.

> H5 : there is a positive influence between attitude towards using and the interest in using an e-commerce-based accounting information system on the tokopedia and ovo applications as a means of payment.

Research Methods

Types and approaches of research the type of research used in this research is quantitative research. Quantitative research is research that is used to examine certain populations or samples, sample collection techniques are usually carried out randomly, data collection uses research instruments, quantitative or statistical analysis with the aim of testing existing hypotheses (sugiyono, 2017).

Population and Sampling

According to sugiyono (2012) population is a generalization area consisting of; object or subject that has certain qualities and characteristics determined by the researcher to be studied and then draw conclusions. It can be seen that the population of this study are all users of the tokopedia and ovo applications in bengkulu city

The sample is part of the number and characteristics possessed by the population (sugiyono, 2012). In this study, the sample was taken using purposive sampling, which is a sample whose element selection is based on subjective considerations. This is done with the aim of obtaining a representative sample in accordance with the specified criteria.

Operational definition and measurement
Perceived usefulness

The benefits that will be obtained from the use of tokopedia and ovo are the benefits that are obtained and expected by all tokopedia and ovo service users who use the tokopedia and ovo application services. Perceived usefulness variable will be measured through the likert scale method, where the score of answer 1 is strongly disagree, answer score 2 is disagree, answer score 3 is neutral, answer score 4 is agree and answer score 5 is strongly agree (ghozali, 2011)
.perceived ease of use

ease of use in transactions, making purchases on the tokopedia application and using payment methods with applications and ovo are the conveniences obtained in every payment transaction and convenience when they want to top up or top up and re-add ovo balances from every ovo customer who uses the application and ease of using the application in transactions. The perceived ease of use variable will be measured through the likert scale method, where the answer score 1 is strongly disagree, the answer score 2 is disagree, the answer score 3 is 30 neutral, the answer score 4 is agree and the answer score 5 is strongly agree (ghozali , 2011).

Risk

Risk is uncertainty that cannot be measured but can be predicted. Good uncertainty is commonly called opportunity. But the uncertainty that will be discussed by the researcher is the risk that has a bad effect on users of information system technology in e-commerce, especially the tokopedia application. The perceived risk in using the payment method with ovo is the risk that is obtained with the possibility that it will cause losses to the ovo customer when using the payment method with the ovo application. The risk variable can be measured using the likert scale method, where the answer score 1 is strongly agree, the answer score 2 is agree, the answer score 3 is neutral, the answer score 4 is disagree and the answer score 5 is strongly dis100agree (ghozali,

2011).

Trust

Trust in the use of information systems in the tokopedia application and payment methods with ovo is the trust that exists to maintain consumer confidentiality, then the trust that exists in the payment system owned by ovo where customer balances are kept under control, safe and reduced according to transactions made by users itself. The trust variable will be measured using the likert scale method, where the score of answer 1 is strongly disagree, a score of 31 answers 2 is disagree, answer score 3 is neutral, answer score 4 is agree, and answer score 5 is strongly agree (ghozali, 2011).

Attitude towards using

Attitude or commonly called attitude towards using is defined by davis (1989) as positive or negative feelings from someone if they have to perform the behavior to be determined ("an individual's positive or negative feelings about performing the target behavior"). While mathieson (1991) defines attitude towards attitude towards behavior (behavior) as the user's evaluation of his interest in using the system ("the user's evaluation of the desirability of his or her using the system") ease of communicating with sellers on the tokopedia application features and visual appearance the attractiveness of the application display, attitude towards authorization of use, attitude to the password storage model, user responses about the application, attitude towards unauthorized parties which can be measured by the likert scale method, where the answer score of 1 is strongly disagree, answer score 2 is disagree, answer score 3 is neutral, answer score 4 is agree, and answer score 5 is strongly agree

Interested use

Interest when using payment methods using the information system on tokopedia is the interest that ovo customers have when they make transactions using the ovo and tokopedia applications. The variable on interest can be measured using the likert scale method, where the answer score 1 is strongly disagree, the answer score 2 is disagree, the answer score 3 is neutral, the answer score 4 is agree, and the answer score 5 is strongly agree (ghozali, 2011).

Results and Discussion

Data collection results

Respondents from this study are people who use the ovo application and tokopedia who know the use of the application. Based on the results of data collection, it can be concluded that the total questionnaires received were 229 questionnaires (100%) and there were 14 questionnaires that did not meet the criteria because the respondents had never used the ovo and tokopedia applications so they were not feasible to use. So the total questionnaires used in this study were 215 or 94% of the questionnaires that were ready to be processed and analyzed.

Characteristics of respondents

Respondents in this study have characteristics that explain gender, age, last education, occupation and how long respondents use the ovo and tokopedia applications. The total respondents obtained were 215 respondents consisting of 167 female respondents (77.7%) and 48 male respondents (22.3%). The number of female respondents is higher than that of male respondents. In this study, these results indicate that female respondents use ovo and tokopedia applications more. Based on the job description, the total respondents consisted of 8 respondents with the latest education d1/d2/d3, 47 respondents with the latest education s1, 16 respondents with the latest education s2 and 144 respondents with the latest education sd/smp/sma or equivalent. In this study, the respondents who filled out the most questionnaires in this study were respondents with the latest education in

sd/smp/sma or equivalent, with a percentage of 67.1% or equivalent to 144 respondents. Based on the latest education, the total respondents obtained consist of 16 respondents working as state civil servants (asn), 15 respondents working as entrepreneurs, 1 respondent working as a lecturer, 2 respondents working as housewives, 3 respondents working as bumn employees, 16 respondents work as private employees and 162 respondents are students. In this study, the respondents who filled out the most questionnaires in this study were 162 students or 75.7%. Based on the length of use, respondents who use ovo and tokopedia applications with a time span of 1-3 months are 115 respondents with a percentage of 54%. Respondents with the use of applications 9-12 months as many as 75 people or equivalent to 35%. Respondents with the use or use of applications with a span of 3-6 months were 18 respondents or equivalent to 8% and respondents who used applications with a time span of 6-9 months were 7 people or equivalent to 3% of respondents. In this study, it can be concluded that users have a sufficient time span in using and getting to know the use of ovo and tokopedia applications.

Validity and reliability test results

Validity test results

Validity test is used to measure whether a questionnaire is valid or not (ghozali, 2011). Therefore, the questionnaire can be considered valid if the questions on the questionnaire are able to state and explain something that can be measured by the questionnaire. To test the validity, it can be done by comparing the calculated r value with the r table value. Below are the results of the validity of the variables in this study which were tested using the eviews 12 software program:

The test values of the six variables are valid. The value of testing the validity of the questions on the questionnaire submitted is greater than r calculated from r table, it can be seen that all the number of questions on the variables perceived ease of use, perceived usefulness, risk, trust, attitude toward using and interested used are valid.

Reliability test results

In general, reliability tests are defined as a series of tests to assess the reliability of research indicators. Reliability test is used to measure the consistency of measuring instruments in measuring a concept or measuring the consistency of respondents in answering statement items in questionnaires or research instruments. To test reliability, it can be done through composite reliability and using cronbach alpha with decision making criteria, namely, a variable can be said to be reliable when it has a composite reliability value and cronbach alpha 0.6. The results of the reliability test in this study were tested with the software program eviews 12.

Table 1
Reliability Test Results

Variable	Cronbach's alpha	N of items	Information
X1	0,736	0,60	Reliable
X2	0,794	0,60	Reliable
X3	0,807	0,60	Reliable
X4	0,805	0,60	Reliable
X5	0,820	0,60	Reliable
Y	0,805	0,60	Reliable

Source: primary data, processed 2021

the results in table 1 state that all variables in this study have a composite reliability value and cronbach alpha 0.6, so it can be said that all variables in this study are reliable. Simultaneous significant test results (test f) simultaneous hypothesis testing using the f statistical test to determine whether the independent variables together have a significant effect on the dependent variable. To determine the f table, the significance level used is 5% with degrees of freedom (df) = n-k-1, where n is the number of samples and k is the number of regression coefficients. The

statistical f test is used to prove whether or not there is an influence between the independent variables on the dependent variable simultaneously (sujarweni, 2015).

Simultaneous significant test results (test f)

Simultaneous hypothesis testing using the f statistical test to determine whether the independent variables together have a significant effect on the dependent variable. To determine the f table, the significance level used is 5% with degrees of freedom (df) = n-k-1, where n is the number of samples and k is the number of regression coefficients. The statistical f test is used to prove whether or not there is an influence between the independent variables on the dependent variable simultaneously (sujarweni, 2015).

Table 2

simultaneous significant test results (test f)

R-squared	0.613745	Mean dependent var	17.60748
Adjusted R-squared	0.604460	S.D. dependent var	2.663462
S.E. of regression	1.675104	Akaike info criterion	3.897264
Sum squared resid	583.6425	Schwarz criterion	3.991638
Log likelihood	-411.0073	Hannan-Quinn criter.	3.935400
F-statistic	66.10081	Durbin-Watson stat	2.047230
Prob(F-statistic)	0.000000		

Source: primary data, processed 2021

Based on the test results indicate that the f test results in this study have a coefficient value of 66.10081 with a prob (f-statistic) of $0.0000 < 0.05$ which can be concluded that the influence of the independent variables is perceived ease of use (x1), perceived usefulness (x2), risk (x3), trust (x4), attitude towards using (x5) together have a significant effect on the dependent variable, namely interest in using.

Partial significant test results (t-test)

The t-test shows how far the influence of one explanatory/independent variable individually in explaining the variation of the dependent variable (ghozali, 2011). The hypothesis is said to be accepted if the significance level $(a) < 0.05$ and the hypothesis is rejected if the significance level $(a) > 0.05$ (sujarweni, 2015). Based on the results of the partial significance test (test) the following results were obtained:

Table 3

Partial significant test results (t-test)

Dependent Variable: Y
Method: Least Squares
Date: 10/13/21 Time: 02:30
Sample (adjusted): 1 214
Included observations: 214 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3.103267	1.014739	3.058194	0.0025
X1	0.090680	0.070423	1.287647	0.1993
X2	0.191866	0.066202	2.898175	0.0042
X3	-0.085765	0.037535	-2.284924	0.0233
X4	0.187680	0.071014	2.642855	0.0088
X5	0.425704	0.096636	4.405218	0.0000

Source: primary data, processed 2021

Based on the table, the results of the t-test in this study indicate that:

The perceived ease of use (x1) variable with a coefficient value of 0.090680 and a probability value of 0.1993, this probability value is greater than an alpha value of 0.05. This research can be concluded that h1 is rejected. Variable perceived usefulness (x2) with a coefficient value of 0.1911866 and a probability value of 0.0042, this probability value is smaller than an alpha value of 0.05. This research can be concluded that h1 is accepted.

a. Risk variable (x3) with a coefficient value of -0.085765 and a probability value of 0.0233, this probability value is smaller than an alpha value of 0.05. This research can be concluded that h1 is accepted.

b. The variable perceived trust (x4) with a coefficient value of 0.425704 and a probability value of 0.0088, this probability value is smaller than an alpha value of 0.05. This research can be concluded that h1 is accepted.

c. The attitude towards using (x5) variable with a coefficient value of 0.187680 and a probability value of 0.00000, this probability value is smaller than an alpha value of 0.05. This research can be concluded that h1 is accepted.

Multiple regression analysis results

Quantitative analysis in this study will be carried out using regression analysis, namely multiple linear regression analysis. Multiple linear regression analysis is a linear relationship between two or more independent variables (x1, x2,...xn) with the dependent variable (y). This analysis is to determine the direction of the relationship between the independent variables that are positively or negatively related and to predict the value of the dependent variable if the value of the independent variable increases or decreases. The independent variables used are perceived ease of use (x1), perceived usefulness (x2), risk (x3), trust (x4), attitude towards using (x5). The dependent variable used is interest in use (y).

Table 4

multiple regression analysis results

Dependent Variable: Y
Method: Least Squares
Date: 10/13/21   Time: 02:30
Sample (adjusted): 1 214
Included observations: 214 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3.103267	1.014739	3.058194	0.0025
X1	0.090680	0.070423	1.287647	0.1993
X2	0.191866	0.066202	2.898175	0.0042
X3	-0.085765	0.037535	-2.284924	0.0233
X4	0.187680	0.071014	2.642855	0.0088
X5	0.425704	0.096636	4.405218	0.0000

R-squared	0.613745	Mean dependent var	17.60748
Adjusted R-squared	0.604460	S.D. dependent var	2.663462
S.E. of regression	1.675104	Akaike info criterion	3.897264
Sum squared resid	583.6425	Schwarz criterion	3.991638
Log likelihood	-411.0073	Hannan-Quinn criter.	3.935400
F-statistic	66.10081	Durbin-Watson stat	2.047230
Prob(F-statistic)	0.000000		

Source: data processing,2021

Based on the results of data processing that has been carried out using the eviews 12 software program, the regression formula is obtained as follows:

Y = 3.103267 + 0,090680 x1 + 0,1911866 x2 - 0,085765 x3 + 0,425704 x4 + 0,187680 x5 + e

The explanation of the above equation is as follows:

a. The constant value of 3.103267 states that if there is perceived ease of use, perceived usefulness, risk, trust, attitude towards using, the most likely value of interest in use is 3.103267.

b. Perceived ease of use regression coefficient of 0.090680 states that if perceived ease of use has increased by 1 it will increase interest in use by 0.090680 assuming the coefficient value of other independent variables is constant or equal to zero.

c. Perceived usefulness regression coefficient of 0.022 which is positive indicates that, if the perceived usefulness value increases, it will increase interest in use by 0.1911866

d. The risk variable regression coefficient value of 0.085765 states that if the variable has an increase of 1, it will not be followed by an increase in interest in the use of 0.001 with the assumption that the value of the other independent variables is constant or equal to zero.

e. The coefficient of the trust regression equation is positive at 0.425704, meaning that an increase in confidence by the unit value will result in an increase in interest in use of 0.425704 with the assumption that the other independent variables are constant.

f. The regression coefficient of attitude towards using is 0.187680 which is positive indicating that, if attitude towards , using increases, it will increase interest in using by 0.187680.

Conclusions and suggestion
The influence of perceived ease of use on interest in use

In the test results in this study, perceived ease of use does not have a significant effect on interest in using ovo and tokopedia applications. This is presumably because the ease of using the application needs to be supported by user knowledge about how to use the application. The ease of using the application alone does not guarantee user interest in using the application, this can happen because there are similar applications that have good application performance and appearance, the most user ratings, attractive offers and others. So the researchers suspect that respondents do not know about the clarity of purpose and convenience provided by the ovo and tokopedia applications so that respondents do not have interest in using the application. This research is in line with the research conducted by miftahul (2018) which states that most of the use of e-commerce-based systems is not easy and requires sufficient capital resources, so that respondents are less interested in transacting using e-commerce systems.

The effect of perceived usefulness on interest in use

The test results in this study give the result that perceived usefulness has a significant effect on interest in use, it is suspected that respondents feel the benefits and usefulness of the ovo and tokopedia applications. So with the benefits and usefulness of the application, it increases user interest in using the application. Respondents also felt more benefits in using the ovo and tokopedia applications, including faster, efficient and practical transactions compared to cash payments and offline purchases of goods. The higher the usability of the technology perceived by the users, this will further increase the interest of the users to use the application. This research is in line with the research of abadi (2019) and jogiyanto (quoted by puspaningtiyas, 2016) which defines that perceived benefits are believed to help the company's decision-making process.

Effect of risk on interest in use

The test results in this research give the result that risk has a significant negative effect on interest in use. The more users feel the less risk in using technology in the form of applications, namely ovo and tokpedia, the greater the user's interest in using these applications. Risk is uncertainty that cannot be measured but can be predicted. This research is in line with angela's research (2020) who has conducted research on the effect of usage risk on interest in using shoppe. Abadi (2019) who has conducted research with the results of the risk of negatively affecting ovo customer interest in using it. Abadi (2019) explains that the small risk in using the ovo application and a sense of security will increase customer interest in using ovo.

The effect of trust on interest in use

Trust is an expectation that a technology can be trusted in its ability to complete its tasks well (lui & jamieson, 2003). The following statement is in line with the test results in this research. User trust affects the interest of ovo and tokopedia application users, the greater a person's trust in the technology he uses, the greater the interest in using the application. This is due to the assumption that respondents believe that the ovo and tokopedia applications can guarantee the confidentiality of their data. Users feel confident and confident that the tokopedia application is safe and meets their expectations, so this can increase interest in using the application. According to grabner-kraeuter (quoted by ardiyanto and kusumadewi, 2020), consumer confidence can show the potential of online shopping companies in the long term. This research is also in line with research conducted by abadi (2019) showing that trust positively affects ovo customer interest in using applications. The higher the level of user trust in e-commerce technology, the greater the user's interest in the application.

The influence of attitude towards using on interest in using

Attitude (attitude) or commonly called attitude towards using (attitude towards use) is defined by davis (1989) as positive or negative feelings from someone if they have to perform the behavior to be determined ("an individual's positive or negative feelings about performing the target behavior") . While mathieson (1991) defines attitude towards attitude towards behavior (behavior) as the user's evaluation of his interest in using the system ("the user's evaluation of the desirability of his or her using the system"). The test results in attitude towards using research have an effect on user interest. It is assumed that respondents feel positive feelings related to the use of the application. Ease of communicating with sellers on the ovo and tokopedia applications visual features and appearance the attractiveness of the application display, attitude towards authorization of use, attitude to password storage models, user responses about the application, these are things that support positive feelings so as to foster interest to use the ovo and tokopedia applications. This research is in line with research conducted by novitasari (2016) which shows that attitudes affect interest in using e-commerce. A person's attitude in accepting or rejecting a technological system that has developed can affect the interest in using e-commerce. A person's attitude arises because they feel and judge for themselves an e-commerce system in its use. Vijayasarathy (2003) also shows that attitude has a strong influence on intention. Attitudes in using are in the form of user perceptions in accepting or rejecting the existing technology model in a system.

References

Abadi, e.s. 2019. "analisis faktor-faktor yang mempengaruhi minat customer ovo sebagai alat pembayaran dengan pendekatan technology acceptance model (tam)". Skripsi. Fakultas ekonomi dan bisnis. Universitas katolik soegijapranata.

Ahmad, & pambudi, b. S. (2013). Pengaruh persepsi manfaat, persepsi kemudahan, keamanan dan ketersediaan fitur terhadapminat ulang nasabah bank dalam menggunakan internet banking (studi pada program layanan internet banking bri). Journal of chemical information and modeling, 53(9), 1689–1699. Https://doi.org/10.1017/cbo9781107415324.004

Aieni, a. N., & purwantini, a. H. (2017). Exploring the use of mobile banking : a technology acceptance model approach eksplorasi penggunaan mobile banking : pendekatan technology acceptance model. Jurnal analisis bisnis ekonomi, 15(1), 86–96.

Amijaya, g.r. 2010. "pengaruh persepsi teknologi informasi, kemudahan, resiko, dan fitur layanan terhadap minat ulang nasabah bank dalam menggunakan internet banking (studi pada nasabah bank bca)". Skripsi. Fakultas ekonomi. Universitas diponegoro.

Ardiyanto, f., dan kusumadewi, h. 2020. "pengintegrasian technology acceptance model (tam) dan kepercayaan konsumen pada marketplace online indonesia". Jurnal inspirasi bisnis dan manajemen. Vol. 3. No. 2. Hal. 177-192.

Davis, f.d. (1989). "perceived usefulness, perceived ease of use, and user acceptance of information technology". Mis quarterly, vol. 13, no. 3. Page 319-340.

Dianari, r. G. F. 2017. "pengaruh e-commerce terhadap pertumbuhan ekonomi indonesia". Skripsi. Fakultas ekonomi. Universitas katolik parahyangan.

Febriyanto, n. 2019. "persepsi masyarakat kota semarang dalam menggunakan e-money". Skripsi. Fakultas ekonomi dan bisnis. Universitas katolik soegijapranata.

Ghozali, i. 2016. Aplikasi analisis multivariate ibm spss 23. Semarang: badan penerbit universitas diponegoro irawati, y. & p.

Kurnia. 2015. "pengaruh teknologi informasi dan keahlian komputer terhadap sistem informasi akuntansi pada rumah sakit swasta di kota pekanbaru. Jurnal online mahasiswa (jom) bidang ilmu ekonomi. Vol. 1, no. 2. Halaman 1-15.

Iprice. 2020. "the map of e-commerce in indonesia". Diakses 3 maret 2020. Https://iprice.co.id/insights/mapofecommerce/en/

Jogiyanto, h. (2007). Sistem informasi keperilakuan. Yogyakarta: andi offset.

Lui, h. K., & jamieson, r. 2003. "integrating trust and risk perceptions in business to consumer electronic commerce with technology acceptance model". School of information systems, technology, and management. The university of new south wales.

Ma'ruf, a. 2016. "minat penggunaan e-money di kalangan mahasiswa yogyakarta (analisis faktor pengaruh berdasarkan perspektif tam dan tpb). Skripsi. Fakultas ekonomi dan bisnis islam. Universitas islam negeri sunan kalijaga yogyakarta.

Millennia, f.h. 2019. "e-commerce memiliki sistem informasi akuntansi yang sangat mudah". Https://www.kompasiana/com/milleniniafitri/5d6e780b97f36319d46cf43/ecommerce-memiliki=sistem-informasi-akuntansi-yang-sangat-mudah. Diakses tanggal 25 mei 2020.

Novitasari, r. 2016. "faktor-faktor yang mempengaruhi minat perilaku menggunakan sistem informasi akuntansi berbasis e-commerce". Skripsi. Fakultas ekonomi dan bisnis. Universitas muhammadiyah surakarta.

Puspaningtiyas, i. 2016. "analisis faktor-faktor yang mempengaruhi minat perilaku terhadap penggunaan sistem informasi akuntansi berbasis e-commerce (studi kasus pada mahasiswa fakultas ekonomi dan bisnis universitas muhammadiyah surakarta)". Skripsi. Fakultas ekonomi dan bisnis. Universitas muhammadiyah surakarta.

Vijayasarathy, l. R. 2004. "predicting consumer intentions to use on-line shopping: the case for an augmented technology acceptance model". Information & management, vol. 41, no. 6. Page 747-762

ANALYSIS OF AUDIT POLICY INVESTIGATION INTO CASES OF ALLEGED FORMULA E CORRUPTION AT THE DKI JAKARTA PROVINCIAL GOVERNMENT

Hamdani[1)], Fachruzzaman[2)]
Faculty of Economics and Bussines, University of Andalas[1]
Faculty of Economics and Bussines, University of Bengkulu[3]

ARTICLE INFO

ABSTRACT

The case of alleged Formula E corruption in the Provincial Government of DKI Jakarta is an interesting phenomenon as an academic study. An interesting part of the handling of alleged corruption cases in the scientific field is the investigative audit between practice and theory, paying attention to government regulations as a positive theory. It is strongly suspected that when the KPK requested an investigative audit it turned out to be not in line with the regulations that govern it. The fact is that in many corruption cases involving the Governor, the KPK has not asked the BPK to carry out an investigative audit to identify suspects. The difference between practice and theory and existing provisions is the material for analysis in this study. Since KPK was born in 2003 until now, it is only at this time that an anomaly was found in the practice of auditing state finances, especially investigative audits. In this regard, the KPK submitted a request for an investigative audit to the BPK before proving that there was an unlawful act.Th e results of this study concluded that an investigative audit could not be carried out by the BPK RI on the alleged Formula E corruption case in terms of the existing regulations on the BPK and the KPK. BPK regulations require the KPK to expose cases to show illegal acts, but so far the KPK has not found any. The regulations at the KPK require that at the investigation stage a suspect has been named as the basis for a request to the BPK for the calculation of state financial losses, but the KPK has not been able to do so.

INTRODUCTION

Background and Research Problems

The desire of the Governor of DKI for the 2017-2022 period to present an electric-based racing car event at the Ancol Circuit has a long tail. As the Governor of Metropolitan City who innovated to present Jakarta on the stage of the prestigious international event, it attracted controversy among criminal experts and regional financial experts. Formula E events have been held in many countries to boost the economy and tourism during and after the race car *event*. The Corruption Eradication Commission (KPK) under the pretext of following up on public complaints on allegations of corruption carries out judicial efforts in the form of investigations for the examination of these criminal allegations. Since November 2021, many parties have been summoned for questioning on the Formula E case. The executive and legislature have been invited to the Red and White House to provide information on what is known, seen, heard, and done. At the end of Anies Baswedan's tenure, the KPK asked him to provide information on the Formula E case.

Starting from the declaration of a presidential candidate by the Nasdem Party, Anies' figure emerged as a prominent figure on the current national political stage. As a consequence, many people are pro and con for Anies' presence. It is strongly suspected that oligarchs, ruling parties, and other potential presidential candidates want Anies to bounce from the arena of the presidential election competition. Anies' steep path as a presidential candidate was created from all directions, both efforts to thwart the coalition, conduct black campaign politics, and legal efforts to suspect Anies. The latter effort is felt to be more open because of the requirement that presidential candidates

do not commit reprehensible deeds. From this door, the Formula E case threatens Anies as a suspect in corruption, where in the process of registering presidential candidates to the General Elections Commission every candidate is free from reprehensible acts including holding suspect status.

The Tempo newspaper on December 23, 2022, reported that the title of the case carried out by the investigation team in front of all KPK leaders concluded that the Formula E case was not enough evidence to be raised to the investigation stage. This conclusion is the same as the investigation team's submission in the previous case on September 28, 2022. Until now, it is said that all parties, including the management of PT Jakarta Propertindo as the organizer of Formula E, have been asked for information.(Sukamto, 2022). On the occasion of the case, Firli asked to raise the case to the investigation stage without the determination of suspects. That way, the KPK can ask the CPC to conduct an investigative audit. In addition, the KPK can continue handling cases and further legal processes in the form of searches and seizures. Firli's actions like this were encouraged because of the desire to immediately raise the case to the investigation stage because more than a year later the investigation process had not found two sufficient pieces of evidence as a basis for determining Anies as a suspect. Such a step deviates from the KPK's norm of raising the status of handling cases to the investigation stage after having two sufficient pieces of evidence.

Yuris Reza, a researcher from UGM's Center for Anti-Corruption Studies, believes that the KPK in investigating a case must be based on two sufficient evidence. The KPK cannot raise or force the status to the investigation stage if it does not have two sufficient pieces of evidence. For this reason, it is recommended that the KPK works professionally, does not enter the political arena, and does not criminalize someone in investigating a case. The KPK Supervisory Board must intervene to take action if the KPK leadership is indicated to have violated the code of ethics in investigating a case of alleged corruption.(Subekti, 2022) The controversy over the handling of the alleged Formula E corruption case continues. KPK leaders Firli Bahuri, Johanis Tanak, and Alexander Marwata and KPK Enforcement Deputy Karyoto met BPK member V Nyoman Adi Suryadnyana to expose the results of the investigation or conduct a case of alleged Formula E corruption on January 10, 2023. The KPK commissioner wanted the BPK leadership to know in detail the Formula E problem. The same request has been made by KPK Deputy Chairman Alexander Marwata to BPK in September 2022.(Sukamto, 2023)

From the description above, there are two ways to request an investigative audit by the KPK to the Audit Board (BPK) on cases of alleged corruption in the management of Formula E. First, an investigative audit at the request of the KPK to the BPK to determine the indication of state losses provided that the KPK conveys indications of unlawful acts in the investigation process of the Formula E case. Second, an investigative audit at the request of the KPK to the BPK for the calculation of state losses provided that the KPK has determined that the suspect and/or criminal case of corruption has been upgraded to the status at the investigation stage. Related to the KPK's lobbying to the BPK to carry out an investigative audit of cases of suspected Formula E corruption whether it is in accordance with the provisions or is a violation of standard operating procedures both at the KPK and at the BPK. If this is implemented, what are the consequences faced by the KPK and BPK. Since the KPK was born in 2003 until now, only now has an anomaly been found in the practice of state financial audits, especially investigative audits. This study tries to answer the research question with the title "Audit Policy Analysis of Investigation into Cases of Alleged Formula E Corruption in the DKI Jakarta Provincial Government".

Research Objectives and Urgency

  a. To conduct an analysis of the rules, the KPK conducted an investigative audit request to the BPK on the DKI Jakarta Provincial Government Formula E Corruption Allegation Case.

b. To conduct an analysis of the rules and procedures, BPK received an investigative audit request from the KPK on the DKI Jakarta Provincial Government's Formula E Corruption Allegation Case.
c. To ensure that there are no violations of procedures in handling cases of criminal acts of corruption by law enforcement institutions, in particular.

Research Benefits
a. For the public, this research is useful to provide education on controversies related to how the KPK handles the DKI Jakarta Provincial Government's Formula E Alleged Corruption Case.
b. For the KPK, as input pro justitia work that is free from the impression of politicization in handling cases of alleged corruption.
c. For BPK, as input to free, independent, and competent investigative audit work.

Research Scope
    This research is limited to the policies and procedures for investigative audits of the DKI Jakarta Provincial Government's Formula E Corruption Allegations based on regulations and practices that have developed so far.

LITERATURE REVIEW
Understanding *Fraud* and Corruption
    Fraud is defined as the practice of cheating, irregularity and irregularities. According to the Black Law Dictionary (8th Ed) *fraud* is defined as "An act deliberately to deceive or lie, a deception or dishonest ways to take or lose money, property, legitimate rights belonging to others either because of an act or the fatal effect of the act itself". While Wikipedia defines fraud "Fraud is fraud made for personal gain or to harm others. In criminal law, fraud is a crime or act that intentionally deceives others with the intention to harm them, usually to have something/property or services or benefits in an unjust/fraudulent way. Cheating can be achieved through counterfeiting of goods or objects. In criminal law it is called "theft by fraud", "theft by deceit", "theft by embezzlement and fraud" or other similar things".(Priantara, 2013)
    According to the Big Dictionary of Indonesian, 1991 (KBBI) corruption means rotten; false; or bribes. In the Law Dictionary, corruption is bad; broken; likes to accept bribes; misappropriating money/goods belonging to companies or the state; receiving money by using one's position for personal gain or misappropriation or embezzlement of state or corporate money as a place for one's employment for personal or others' gain. *The Lexicon Webster Dictionary*, 1978 defines corruption as depravity; dishonesty; immorality; deviation from chastity. *Transparency International* defines corruption as the behavior of public officials, whether politicians, politicians or public servants, who unreasonably and illegally enrich themselves or enrich those close to them, by abusing the public power entrusted to them.(Priantara, 2013)

State Financial Losses and Calculation of State Financial Losses
    Law on State Treasury Law Number 1 of 2004 provides a definition of "loss" in the context of state/regional losses. Article 1 paragraph (22) of this law reads "State/Regional losses are shortages of money, securities, and goods, which are real and definite in amount as a result of unlawful acts either intentionally or negligently" (Setneg, 2004). State/Regional losses in article 1 paragraph (22) must be "real and definite amount". The explanation of Article 1 (including paragraph 22) simply says: "self-explanatory". Practitioners interpret "real and certain" as something that is actually issued or happens. Within the scope of the State Treasury Law, this interpretation is correct. For example, in case of lack of money, securities and goods. Another criterion is "real and definite deficiencies"

and it is easy for the inspected and the *examiner (auditee-auditor)* to reach agreement. The size is objective or there is almost no element of subjective interpretation.

In the first stage, the investigator (hereinafter the investigator and the public prosecutor) formulates the unlawful act. There is a relationship between unlawful acts and losses caused and evidence of causality. In this stage the main question is what are the legal facts? With that legal fact, law enforcement (investigators; investigators and public prosecutors) formulates the criminal act of corruption, determines the presence or absence of state financial losses, and the form of state financial losses(Tuanakotta, 2014) . In relation to the understanding of real and definite state financial losses, in the process of investigating prosecutions and charges of criminal acts of corruption it is inevitable to determine the amount with certainty. As evidence at the trial required two stages of the process of financial losses of the State. The first stage, to determine whether there is an unlawful act that results in state financial losses or formulate a criminal act of corruption is the territory of legal experts. While the second stage, to ascertain the presence or absence of state financial losses and calculate the amount of these losses or determine the amount of state losses in relation to the calculation of state financial losses is the territory of accountants / auditors / forensic accountants.

The first stage and the second stage are closely connected. In the case of corruption cases handled by the police and prosecutors after legal construction finds unlawful acts, they ask the BPK or BPKP inspection agency to calculate state financial losses. Because it is realized that law enforcement officials, police and prosecutors do not necessarily have investigators who have competence as auditors. This is the advantage of the KPK which has accountants / auditors / forensic accountants (*in house*) and can always interact intensively with investigators, investigators, or prosecutors generally. The first phase and the second phase continue until law enforcement and forensic accountants are satisfied, in the sense of being ready for prosecution in court. Based on the evidence and evidence that may be gathered up to that point, they may decide: (a) to collect additional evidence and evidence; (b) seek recovery of state financial losses through civil or administrative law channels (Article 32 of Law Number 31 of 1999 *jo*. Law Number 20 of 2001); or (c) stop the investigation (in the case of the KPK) or investigation/investigation (in the case of the Police and the Prosecutor's Office).(Tuanakotta, 2014)

State Financial Loss Investigation Audit

Definition of Forensic Audit In this case, forensic audit includes various investigative activities that are often carried out to prosecute a party for fraud, embezzlement, or other finance-related crimes. During the audit process, auditors are called upon to be expert witnesses in the proceedings. The definition of forensic audit includes various investigative activities that are often carried out to prosecute a party for fraud, embezzlement, or other finance-related crimes. Forensic audit is a combined audit of expertise that includes accounting, auditing and legal / legislative expertise with the hope that the results of the audit will be used to support legal processes in court and other legal needs. (Kuntadi, 2022). According to Law Number 15 of 2004 concerning Examination of State Financial Management and Responsibility, statefinance includes financial audits, performance audits and audits with specific objectives. Purpose-specific checks are checks outside of financial checks and performance checks. The report on the results of the examination with a specific purpose contains conclusions. This examination can be an examination, *review*, oran agreed procedure. This purposeful examination includes, among others, an examination of other matters related to finance, an investigative examination and an examination of the internal control system(Setneg, 2004).

Furthermore, Law Number 15 of 2006 concerning the Audit Board states thatif a criminal element is found in the examination, the BPK reports it to the competent agency in accordance with the provisions of laws and regulations no later than 1 (one) month since the criminal element is known. This provision confirms the authority of the BPK to carry out investigative audits on its own initiation. Furthermore, this provision also regulates the position of the BPK as an expert

information provider in the judicial process regarding state/regional losses(Setneg, 2006). Investigative Audit is the process of searching, finding, and collecting evidence systematically aimed at revealing whether or not an act occurred and the perpetrators for further legal action. The benefits of investigative audits include identifying fraud and errors, recovering losses whether intentional or unintentional, improving control, and improving the reliability of audited financial statements that represent a company's actual financial position and performance. Article 13 of this Law states that the authoritiescan carry out investigative examinations to reveal indications of state/regional losses and/or criminal elements. The definition of "may" in this article means that the CPC is not obliged to carry out an investigative audit but depends on the needs (Tuanakotta, 2015).

In relation to the calculation of state financial losses, the definition used is investigative audit. There are three commissions that trigger investigative audits, namely the results of the development of financial audits or compliance audits and requests from the KPK and other law enforcement officials. The investigative audit of the results of financial audit development is an initiative of BPK as an attributive authority granted by law. Investigative audits upon request are carried out independently and objectively. In the sense of the word, the receiving authority rests with the CPC regardless of the influence of other institutions. BPK Regulation Number 1 of 2017 concerning Regional Financial Inspection Standards states that the Examiner must disclose non-compliance with the provisions of laws and regulations that indicate fraud, impropriety, and/or losses of the state/region, as well as non-compliance that has a direct and material effect on the subject matter/information of the subject matter examined in accordance with the provisions. PDTT in the form of investigative examination is only carried out when there is adequate predication. Predication can come from examination findings other than PDTT in the form of investigative examinations, information from internal and external parties of the CPC. The findings or information must be tested for feasibility before they can be accepted as predications(CPC, 2017).

The above is the basis for conducting an investigative audit at the initiative of BPK because the auditor sees indications of fraud (predication) during the implementation of financial audits of LKPP, LKKL, or LKPD. The results of the examination are not submitted to the auditee but directly submitted to the KPK or other law enforcement officials. Furthermore, BPK RI Regulation Number 1 of 2020 concerning Investigative Examinations, Calculation of State/Regional Losses, and Provision of Expert Information states that investigative examinations can be carried out by BPK based on requests from Representative Institutions and/or Authorized Agencies; development of Examination Results; or the results of analysis and/or evaluation of information received by BPK regarding irregularities in financial management and financial responsibility of the state. In relation to investigative audits based on the request of law enforcement officials must comply with the provisions of this CPC regulation. The calculation of State/Regional Losses is carried out by the BPK in the process of investigating a criminal act by the Competent Authority. Thus, a new investigative audit can be carried out at the investigation stage.

RESEARCH METHODS
Research Design

This study in terms of analysis method and design is a type of qualitative research, and when viewed from the level of explanation is a type of descriptive research. Descriptive qualitative methods are considered appropriate, because research must be carried out carefully, in-depth and thoroughly to obtain an overview of generally accepted principles or patterns in relation to the symptoms present in the object of research. This type of descriptive qualitative research is also chosen so that the results achieved from this research can be a good, clear, and balanced recommendation for decision makers in organizations related to the research topic. Qualitative research examines participants' perspectives with interactive and flexible strategies. Qualitative research is aimed at understanding social phenomena from the perspective of participants. Thus the meaning or understanding of qualitative research is research used to examine the conditions of

natural objects where researchers are key instruments. In this qualitative research, the determination of data sources (resource persons / informants / participants) is carried out *purposively*, which is selected with certain considerations and objectives. The results of qualitative method research apply only to the case of the social situation, which can be transferred or applied to the social situation (elsewhere), if the social situation has similarities or similarities with the social situation under study .(Sugiyono, 2015)

The type of research used in this study is qualitative type. According to Sugiyono, qualitative research is to understand and explore the main phenomena of the object under study, so as to gain a deep understanding and find something unique. The steps or processes of qualitative research are artistic, so they are not standard, and will depend on the purpose of the study. Qualitative research measures aim to construct new phenomena and find hypotheses.(2015) When viewed from the level of explanation, it is a type of exploratory research. The exploratory method is considered appropriate, because in this method approach, digging data and information about new topics or issues intended for the benefit of deepening or further research. The purpose of research is to formulate more accurate questions that will be answered in follow-up research or later research. Researchers usually use this exploratory research to gain sufficient knowledge of the research carried out for the preparation of design and implementation of more systematic follow-up studies.

Research Objectives and Data Collection Methods

The purpose of this study is to reveal the facts of the results of secondary data processing. The purpose of this study is used to reveal the performance and financial condition of a company. In this study, the facts found are related to the management of Formula E and regulations governing the business process of handling corruption cases and the implementation of investigative audits. Thus, analysis can be carried out to reveal the fact whether the business process of handling corruption cases and investigative audits is in accordance with the regulations that govern it. The data collection techniques carried out in this study are through *library research*, *observation and documentation*, interviews and *in-depth* interviews, and through additional questions (*additional question*).

The data collection techniques carried out in this study are interviews, oconservation, and documentation studies or a combination of all three called triangulation. Data analysis in qualitative research is carried out before entering the field, during the field, and after completion in the field. Aactivity in qualitative data analysis is carried out interactively and takes place continuously until it is complete, so that the data is saturated. Activities in data analysis include, data *reduction*, data *display*, and data *conclusion drawing/verification*. The data processing procedures that have been collected are as follows: (1) Collection of information related to the management of research objects, (2) Conducting data analysis. The data analysis used in this study used content analysis. Content analysis begins by *coding* relevant terms or uses of words and sentences, which appear most in communication media. After being categorized then put into the theme, (3) Perform validity data. Testing the validity of data is carried out by juxtaposing data sources with other data, namely data obtained from interviews, observations and documentation studies, (4) Drawing conclusions from research results. Conclusion making based on analysis of data that has been tested for validity(Nur Indriantoro, 2016).

Data Types and Sources

The types of data in this study are primary data and secondary data. Primary data were obtained through interviews with relevant parties regarding their perceptions of the object under study. While secondary data comes from documents and reports and regulations obtained from media, reports, and books. The data collected are in accordance with the underlying facts according to the chronology of the events of the study. The data sources used in this study are as follows:

a. Primary data, namely data obtained by conducting direct interviews with key informants, namely officials at the Financial Management Agency and Regional Inspectorate and BPK RI.
b. Secondary Data, namely data obtained from regional financial documents, LKPD, and LHP on LKPD related to discussion, literature, media reports and other sources related to the object of research.

Data Analysis

In this study did not use software because there was no sampling activity and hypothesis testing. Analysis is conducted to determine whether the documents or facts in the possession of the KPK meet the conditions for an investigative examination. Previously, based on the results of the BPK RI examination, whether the BPK could conduct an investigative audit on its own initiative. The steps in the data analysis carried out are as follows:

a. Analysis of the LHP on the LKPD FY 2019 and 2020, the budgeting year for the commitment of Formula E implementation fees. From the content analysis of the two LHPs, it can be seen whether the BPK found and disclosed fraud as a basis for follow-up in the investigative audit.
b. Analysis of KPK news in every witness summons or case title against the alleged Formula E corruption case. This analysis is to determine whether in the investigation process the KPK has found two sufficient pieces of evidence as a basis for determining suspects.
c. Policy analysis of handling corruption cases by the KPK to determine the request for an investigative audit by the KPK to the BPK has been qualified.
d. Policy analysis on the BPK to determine the requirements for the BPK to receive audit requests from law enforcement officials including the KPK.

RESEARCH RESULTS
Formula E Activities Management Overview

The budgeting of Formula E activities began with the DKI Governor's plan to promote Jakarta as a world metropolitan city capable of holding electric car races like other countries. This innovation aims to elevate the city of Jakarta to become the center of world attention, especially automotive enthusiasts. This is in line with efforts to develop environmentally friendly modes of transportation amid the alarming air pollution of the City of Jakarta. After holding a meeting with Formula E Operations Limited (FEO), Jakarta was declared eligible to hold Formula E. Furthermore, the Governor of DKI wrote to the Ministry of Home Affairs and the Ministry of Youth and Sports. The consultation process was carried out either through letters or meetings at the Ministry of Home Affairs where both the Ministry of Home Affairs and the Ministry of Youth and Youth did not object to the initiative of the DKI Provincial Government to hold a Formula E celebration.

In accordance with Government Regulation Number 12 of 2019 concerning Regional Financial Management, funding for the expenditure of an activity can be budgeted if the implementation of the affairs and authority of the Regional Government. For this reason, Formula E, which is a youth and sports affair, is budgeted at the Youth and Sports Office. Meanwhile, in accordance with the advice of the Minister of Home Affairs, the governor assigned PT Jakarta Propertindo as the *event organizer* of the Formula E race. The budgeting process in the DKI Revised Regional Budget in 2019 has been carried out in accordance with the provisions of regional financial regulations. The budget mechanism begins with discussions with the relevant DPRD Commissions and then discussions are carried out on the General Budget Policy (KUA) and the Priority of the Temporary Budget Ceiling (PPAS) of the 2019 APBD-P. After the agreement with KUA and PPAS APBD-P, the governor submitted the draft APBD-P for 2019. Joint agreement between the governor and the DPRD on the draft APBD-P Year 2019 was reached on time.

The next stage is the submission of the 2019 APBD-P draft to the Minister of Home Affairs for an evaluation process before the 2019 APBD-P Regional Regulation is determined. The results of the evaluation are stated in the decision of the Minister of Home Affairs as the basis for the Governor and DKI DPRD to determine the 2019 APBD-P Regional Regulation. Thus the budgeting process is in accordance with applicable regulations. Regional financial governance is a system attached to regional financial management policies and procedures including planning, budgeting, implementation, administration, supervision, and accountability to ensure compliance and conformity with existing regulations. In this regard, the budgeting process already reflects good governance. However, there are several allegations addressed to Governor Anies Baswedan, namely payments made before the 2019 APBD-P Regional Regulation is determined, payments using bank debt and implementation past the governor's term. There is even a professor of criminal experts who states that illegal acts have been found in the implementation of Formula E.

The payment for Formula E commitment *fee* expenditure made by the Youth and Sports Office of Rp 180 billion is a down payment from the total Formula E commitment fee expenditure of Rp 560 billion. Payment of the commitment *fee* was made on August 22 according to the agreement between PT Jakpro and FEO dated 22. While the remaining Rp 380 billion was carried out after the APBD was determined. Rp 180 billion was obtained from a short-term loan to Bank DKI. Regarding the implementation of the celebration that passed the term of office of the DKI Governor, the argument presented by the DKI Provincial Government was the impact of Covid-19 which was originally planned in two rounds of 2020 and 2021 but was postponed to three rounds of 2022, 2023 and 2024. This exceeded activity beyond the governor's term of office does not violate the provisions because it does not bind the budget beyond the governor's term of office. Accountability for these expenditures has been presented to the DKI LKPD in 2019 and 2020 and submitted to the BPK for audit. LKPD in those two years obtained an Unqualified Fair Opinion (WTP) which means that the auditor did not find any predication or indication of *fraud* on the fee commitment expenditure . Furthermore, the LHP on the LKPD became the basis for the preparation of the Regional Regulation on Accountability for the Implementation of the Regional Budget which was discussed and approved by the DPRD.

Analysis of KPK Investigation into Alleged Formula E Corruption Case

Starting from following up on public complaints by the Executive Director of People's Democratic Studies, the KPK has conducted an investigation since October 2021. In the investigation process that presented criminal expert witnesses in the case title, criminal expert opinions emerged to the mass media stating that there had been unlawful acts in the management of Formula E. The KPK has also called many witnesses, including the Governor of DKI for the 2017-2022 period, to be questioned about the alleged criminal incident. However, witness statements have not convinced the KPK to raise the status of handling the case to the investigation stage and establish Anies Baswedan as a suspect. Why is it difficult for the KPK to find two sufficient pieces of evidence if this case is suspected to have the smell of corruption. This happened because KPK officials and investigators disagreed with most commissioners about illegal acts. Three KPK commissioners argued that the status of the case could be upgraded to the stage of investigating the presence or absence of suspects. However, this desire was not supported by KPK officials and investigators.

Since the enactment of Law Number 19 of 2019 concerning the Second Amendment of Law Number 30 of 2002 concerning the Corruption Eradication Commission, KPK commissioners no longer have the authority as prosecutors and investigators. Thus, the decision to assign suspects or raise the status of handling cases to the investigation stage rests entirely with investigators. This is the reason why the KPK leadership returned one deputy, two directors, and one KPK officer because it did not support the KPK commissioner's desire to upgrade the status of handling Formula E cases to the investigation stage. The KPK leadership offered two options for the process of handling

Formula E cases, namely investigation by determining suspects and investigation without suspects. The second option is taken if in the investigation process two sufficient pieces of evidence are not obtained. The KPK leadership chose the second option because of disagreements with investigators and two KPK commissioners to choose the first option. When referring to Article 47 of Law Number 19 of 2019, the investigation process without suspects is not in accordance with the provisions of the article. Article 47 Paragraph 4 of the law states that copies of search and seizure minutes are delivered to suspects or their families. Even though the second option has not yet been determined the suspect. Meanwhile, the minutes of search and seizure must be signed by the owner or who controls the goods, which in this context is certainly a suspect as referred to in Article 47 Paragraph 4 of the law. Saut Situmorang, former Vice Chairman for the 2015-2019 period, stated that he had held 15 Formula E cases until the end of March 2023. According to him, this case is the most case of the implementation of case titles. This shows a sharp difference of opinion within the KPK regarding the presence or absence of unlawful acts. Until now, KPK investigators have not been able to show two sufficient pieces of evidence.(Tobing, 2023)

Audit Policy Analysis of Investigation into Alleged Formula E Corruption Cases

The investigation process into alleged Formula E corruption cases has been running for more than a year, but the KPK has not been able to find two pieces of evidence that are sufficient as a basis for raising the status of handling cases to the investigation stage. The Chairman of the KPK tried to complete the handling of the case by asking for the opinion of criminal experts and requesting an investigative audit to the BPK RI. The effort was intended to obtain two pieces of evidence in accordance with the provisions of Law Number 8 of 1981 concerning the Criminal Procedure Code, namely witness statements from criminal experts and a letter in the form of LHP BPK. For the testimony of criminal experts, the KPK asked for the opinion of Padjajaran University criminal law expert, Romli Atmasasmita, who stated that there were elements of evil intent (*mens rea*) and evil deeds (*actus reus*) in the implementation of Formula E. Romli argued that from the beginning Anies Baswedan already knew there was no budget post in the 2019 budget but still forced the implementation of Formula E. According to Romli, the power of attorney was given to Kadispora to make loans to Bank DKI without DPRD approval is not in accordance with the provisions. Furthermore, the form of agreement with a business-to-G approach violates the agreement of the Minister of Home Affairs which requires business to business. Romli's opinion was used by the KPK as evidence in the form of a letter.

To strengthen the evidence of criminal cases, the KPK asked BPK RI to conduct an investigative audit. This request was made by the KPK through coordination between KPK Deputy Chairman Alexander Marwata on September 30, 2022. The same request was also made by the KPK through a case in the BPK on January 10, 2023. Until now, BPK has not followed up on the KPK's request in the form of an investigative audit. In the practice of handling corruption cases in the KPK, there are almost no requests for investigative audits to the BPK or BPKP for the determination of suspects. In reality what happened was the request for an investigative audit for the calculation of state losses. The argument is that someone is designated as a suspect in a corruption case not because of state losses but because of unlawful acts or enriching themselves or others. Thus, the role of investigative audits in determining suspects is relatively unnecessary. The analysis in this study is whether the KPK's request for an investigative audit is in accordance with the provisions applicable to the BPK. There are two provisions governing investigative audits, namely BPK Regulation Number 1 of 2017 concerning State Financial Inspection Standards (SPKN) and BPK Regulation Number 1 of 2020 concerning Investigative Examination, Calculation of State/Regional Losses, and Provision of Expert Testimony. Content analysis of both provisions can determine whether the KPK in the Formula E case can submit an investigative audit request to the CPC.(CPC, 2020)

According to BPK Regulation Number 1 of 2020, there are two requests for investigative audits that can be carried out by the KPK, namely requests for investigative audits to determine indications

of state losses and investigative audits for calculating state 1losses. The first request can be made at the investigation stage, while the second request is made after the investigation process and has been determined the suspect. According to the Lead Auditor, the mechanism for requesting investigative audits at the investigation stage to determine indications of state losses is carried out on the condition that the KPK shows that there has been a predication or indication of unlawful acts. The pre-planning stage begins with the receipt of preliminary information through the exposure of the case by the investigator to the CPC. Furthermore, the CPC will decide to accept the request after reviewing the initial information to assess whether there is a predication in the case. In this Formula E case, the KPK was not only able to show predication to the BPK in the case exposé but investigators stated that they had not found two sufficient pieces of evidence. This means that the KPK cannot show predication or indications of unlawful acts, so the request for an investigative audit in this stage of the investigation is not accepted by the BPK because it is not in accordance with regulations in the BPK.

Furthermore, for requests for investigative audits for the calculation of state losses, the CPC can only be carried out if the Formula E case has been upgraded to the investigation stage and the suspect has been determined. Until the time of the case at the KPK, the handling of the Formula E case is still at the investigation stage. Thus, the CPC cannot accept the request for an audit of the investigation. What if the BPK ignores the provisions of BPK Regulation Number 1 of 2020? The answer is that the implementation of the investigative audit is classified as abuse *of power*. In accordance with the Regulation of the Supreme Court of the Republic of Indonesia Number 2 of 2019 concerning Guidelines for Dispute Resolution of Government Actions and the Authority to Prosecute Unlawful Acts by Government Bodies and / or Officials (*Onrechtmatige Overheidsdaad*), this BPK LHP as an administrative product of government officials can be declared unlawful or the decision is declared void in law.

CONCLUSION
1. The investigation of the Formula E case is the most rowdy handling of cases since the establishment of the KPK because the principle of investigating cases is carried out behind closed doors and in silence. Meanwhile, the handling of this case seems dramatic and frenetic not in accordance with the principles of investigation.
2. Dozens of cases have been held, including at the KPK, but there has been no agreement between the commissioner and investigators on the status of handling cases.
3. Efforts to raise the status to the investigation stage without suspects are contrary to Law Number 19 of 2019 where the investigation stage must be followed by the determination of suspects.sugger
4. To obtain sufficient preliminary evidence, the KPK attempted to request an investigative audit from the BPK outside the norm. However, content analysis of existing regulations in the KPK limits BPK from receiving investigative audit requests from the KPK.
5. BPK Regulation Number 1 of 2020 does not provide room for BPK to receive requests for investigative audits from the KPK both at the investigation stage and at the investigation stage.
6. Looking at the handling of corruption cases of governors throughout Indonesia, as many as 20 people handled by the KPK, almost no one used BPK investigative audits to suspect the governor. This means that the determination of suspects is an enforcement work as the judicial authority of the KPK.

BIBLIOGRAPHY
CPC. (2017). *State Financial Examination Standards.* Jakarta: BPK RI.
CPC. (2020). *BPK Regulation Number 1 of 2020 concerning Investigative Examination, Calculation of State/Regional Losses, and Provision of Expert Testimony.* Jakarta: BPK RI.

Kuntadi, C. (2022). *State Financial Audit.* Jakarta: Salemba Empat.

Nur Indriantoro, B. S. (2016). *Business Research Methodology for Accounting and Management.* Yogyakarta: BPFE-YOGYAKARTA.

Priantara, D. (2013). *Fraud Auditing &; Investigation.* Jakarta: Publisher Mitra Wacana Media.

Setneg. (2004). *Law Number 1 of 2004 concerning the State Treasury.* Jakarta: Ministry of Finance.

Setneg. (2004). Law Number 15 of 2004 concerning Examination of State Financial Management and Responsibility. Jakarta: Ministry of Finance.

Setneg. (2006). *Law Number 15 of 2006 concerning the Audit Agency.* Jakarta: Ministry of Finance.

Subject. (2022, December 23). *Tempo*. Taken back from koran.tempo.co: https://koran.tempo.co/read/berita-utama/479122/mengapa-pegiat-antikorupsi-mengkritik-rencana-penyidikan-formula-e-tanpa-tersangka

Sugiyono. (2015). *Quantitative, Qualitative and R&D Research Methods.* Bandung: Alfabeta.

Sukamto, I. (2022, December 23). *Tempo*. Taken back from koran.tempo.co: https://newsletter.tempo.co/read/1671395/siasat-baru-firli-bahuri-paksakan-penyidikan-formula-e

Sukamto, I. (2023, January 17). *Tempo*. Taken back from koran.tempo.co: https://koran.tempo.co/read/nasional/479664/skenario-kedua-libatkan-bpk-di-formula-e

Tobing, R. (2023, April 5). *People's Mind*. Taken back from seputarcibubur.pikiran-rakyat.com: https://seputarcibubur.pikiran-rakyat.com/nasional/pr-1786522506/25-tahun-reformasi-dan-pentingnya-mengembalikan-marwah-kpk

Tuanakotta, T. M. (2014). *Calculating State Financial Losses in Corruption Crimes.* Jakarta: Salemba Empat.

Tuanakotta, T. M. (2015). *Contemporary Audit.* Jakarta: Salemba Empat.

DETERMINANTS OF CORPORATE FINANCIAL DISTRESS PREDICTION – A SYSTEMATIC LITERATURE REVIEW

Ardy Primawan
Faculty of Economics and Business, Universitas Padjajaran, Indonesia

ARTICLE INFO

ABSTRACT

The purpose of this study is to conduct a systematic literature review of the determinants of corporate financial distress prediction, based on scientific papers in related fields, which have been published. This paper tries to provide a thorough review of scientific papers on the topic of predicting the company's financial difficulties, researching, and showing the relationship among authors of different scientific papers and also showing the main determinants used and researched by the authors of these scientific papers in the last 10 years. Systematic literature review (SLR) is carried out using Garuda (Garba Rujukan Digital) as database to obtain scientific papers from a period of 10 years, namely 2012-2022, with the topic of predicting corporate financial distress from listed companies in Indonesia Stock Exchange (IDX). The first finding in this paper is that the prediction of corporate financial distress is a topic that is increasingly attracting the attention of researchers, as evidenced by the increasing number of scientific papers in this topic from year to year. Secondly, that financial ratios are the most influential determinants in the research carried out by authors of scientific papers, in different predictive models they used.

INTRODUCTION

A company is founded with the aim of making profit and surviving, even growing bigger and bigger in the long run. But in reality, this goal may not be achieved, even companies which have been operating for a certain period of time are forced to disband or liquidate due to financial distress, which then if not managed properly, will lead to bankruptcy. According to Harahap (2017), Financial distress is a level of depreciation of the financial situation experienced by a company, which occurred before the collapse or dissolution. Research and analysis of the symptoms of financial difficulties many researchers have tried, with various predictive models emerging as a result. The application of various models and the development of these models are expected to be a starting point for rescue, recovery and trigger a turn-around corporate action, so that the company can avoid conditions that lead to the bankruptcy of a company (Putri, 2019). A company is categorized as in financially distress if the industry is unable to pay off its obligations at maturity even though its total assets exceed its liabilities (Handojo, 2017).

Basically, corporate financial distress is not the same as bankruptcy. In Indonesia, bankruptcy is regulated in the Law No.1 of 1998, which states that a debtor who has two or more creditors and is unable to pay at least one debt which due and cannot be collected is declared bankrupt by a judgment of the competent court, either on his own application or at the request of one or more of his creditors.. This application may also be filed by the prosecutor's office in the public interest. Companies that experience financial distress also face the risk of being delisted from the Indonesia Stock Exchange. This step is a mandatory step that must be taken by the IDX authorities to protect potential losses, both on the side of investors and the company itself. The reference used by the IDX in delisting company shares is IDX Regulation Rule Number I-I concerning Delisting and Relisting of Shares on the Exchange Provision III.3.I.I. The regulation states that the IDX delists the shares of a registered company if the registered industry encounters at least one situation or incident, which has a negative impact on business continuity of a listed company as a public company.

In Indonesia, among academic researchers there have been many studies conducted in points of financial distress forecast. However, research in the form of Systematic Literature Review (SLR) has not been widely carried out. This fact can be traced further in the Google Scholar journal database no research has been found using the SLR method on the topic prediction of financial distress, especially for listed companies in the Indonesia Stock Exchange. Therefore, this study takes the title Determinants of Corporate Financial Distress Prediction– A Systematic Literature Review. This research is limited by the factors that influence the prediction of financial distress by conducting a systematic literature review on journal articles published a maximum of 10 years back, namely from 2012 to 2022.

LITERATURE REVIEW

Systematic Literature Review (SLR)

SLR is a method of systematic research based on the results of previous research where evidence is carried out through a synthesis of scientific studies on a particular topic or research question that has been formulated. This type of research includes a tertiary literature review with systematically documented steps (Kitchenham et al., 2009). The objectives of SLR research include identifying, reviewing, evaluating, and interpreting all existing research with interesting topic areas, with relevant research questions (Kitchenham & Charters, 2007). In conducting a literature review, the SLR method is considered as one of the most objective and most systematic methods.

Financial Distress

Financial distress is a situation where a company faces problems in fulfilling its obligations. Signs of financial distress or financial distress can be seen from the financial performance of a company. Platt and Platt (2002) describing financial distress is a stage of depreciation of the financial situation that occurred before the collapse or dissolution occurred. These conditions are usually characterized by delays in delivery, decreased product quality, delays in payment of bills to creditors, which, if detected earlier, the company can take steps to avoid bankruptcy. There are various ways that have been developed to account for financial distress that occur in the industry. One of them is the use of comparative analysis of financial data presented in industry financial information. The research conducted by Altman (1968) is the first research that examines the use of comparative financial analysis as a tool for predicting industry losses. Altman's form is known as the Z-score, which is a number determined from a standard count multiplied by financial ratios that indicate the probability of an industry's collapse. (Mas'ud and Srengga, 2012). Apart from financial ratios, the prediction of a company's financial distress can be measured from its corporate governance. This is because corporate governance, , contains arrangements regarding the board of commissioners, directors and company management, which helps to ensure the harmony in its management (Hanafi & Breliastiti, 2016). Thus, it is hoped that there will be rules for managing the company able to reduce agency problems which have an impact on reducing level of data asymmetry. Reducing the level of data asymmetry can reduce the risk of financial distress in companies (Ariesta & Chariri, 2013).

RESEARCH METHODS

This Systematic Literature Review (SLR) was compiled from the results of selecting existing literature in the Garuda journal database (Garba Rujukan Digital) created by the Ministry of Education and Culture of the Republic of Indonesia. The Garuda database can be accessed on the website https://garuda.kemdikbud.go.id/). The search keywords used were "Kesulitan Keuangan" and "Financial Distress" according to the Preferred Reporting Items for Systematic Review (PRISMA) method. The step-by-step PRISMA method can be seen in Figure 1. The SLR stages in this study follow the research stages conducted by Alvianto et al. (2022) consisting of

problem identification, literature search, selection of literature search results and analysis of literature search results.

1. Problem Identification

    In the problem identification stage, researcher determines the objectives and results to be achieved in the study using the SLR method. The purpose of this study is to determine the determinants (determining factors) of the prediction of financial distress in listed companies on the Indonesia Stock Exchange. To achieve the research objectives, researcher formulated 3 (three) research questions (RQ) as follows:

    RQ 1 : How is the development of trends and mapping of empirical research publications on the topic of predicting financial distress been carried out in Indonesia from 2012 to 2022?

    RQ 2 : What are the variables used in empirical research on predicting financial distress?

    RQ 3 : What are the determinants that are proven to influence the prediction of financial distress?

2. Papers Searching

    In accordance with the research focus, in which the SLR is focused on the prediction of financial distress, a literature search was conducted on indexed journals in the Garuda portal database on the website "https://garuda.kemdikbud.go.id/". Literature search using the keywords "kesulitan keuangan" and "financial distress". The results of a literature search with these keywords obtained 1,965 papers.

3. Papers Screening

    At this step, the results of the papers search are sorted based on predetermined initial screening criterias, namely the period of publication of journals for the last 10 years (2012 to 2022) and the focus of research on listed companies on the Indonesia Stock Exchange. To sort the papers out with a research focus on the Indonesian Stock Exchange, due to limited keywords that can be used on the Garuda database, researcher narrowed down the keywords to "Bursa Efek Indonesia" and "2012 to 2022". From the selection results, the results of papers search with the two criteria obtained 399 papers (total search results of 473 papers with 74 duplicated papers). From the 399 papers obtained, followed by an assessment of the feasibility of the papers with the following criterias:

    a. The research is not a comparison between financial distress prediction models.

    b. The financial difficulties prediction used as a dependent variable

    c. Article publications in Sinta accredited scientific journals and full articles can be downloaded.

Figure 1
Step-by-step based on PRISMA Method
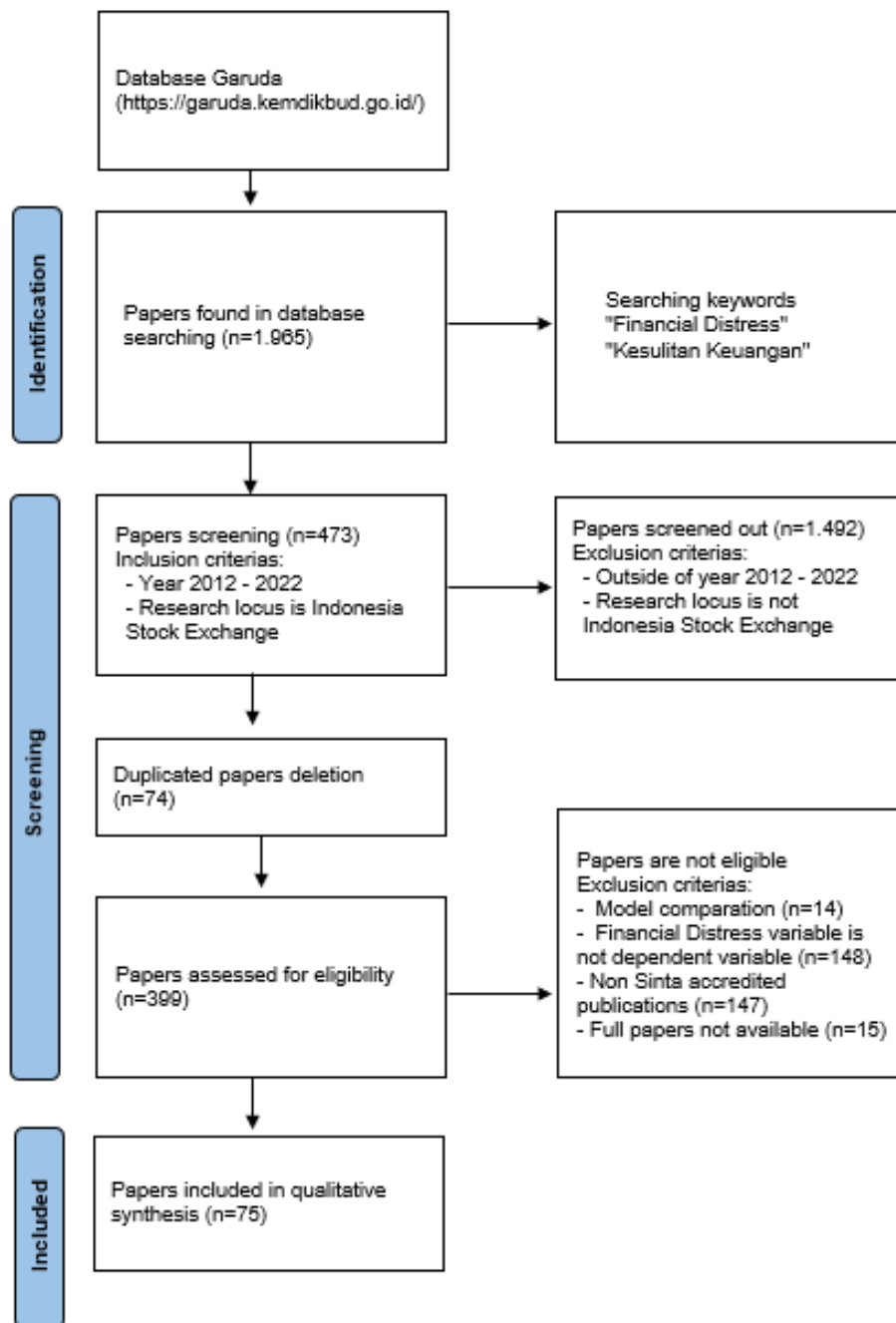
From this feasibility assessment, 75 papers were obtained that met the criterias and were used in the analysis of the results of the literature search.

RESULT AND DISCUSSION

After tabulating the 75 selected papers, several facts from research on the topic of predicting financial distress can be mapped as presented in Figure 2

Figure 2

Years of Research Publications
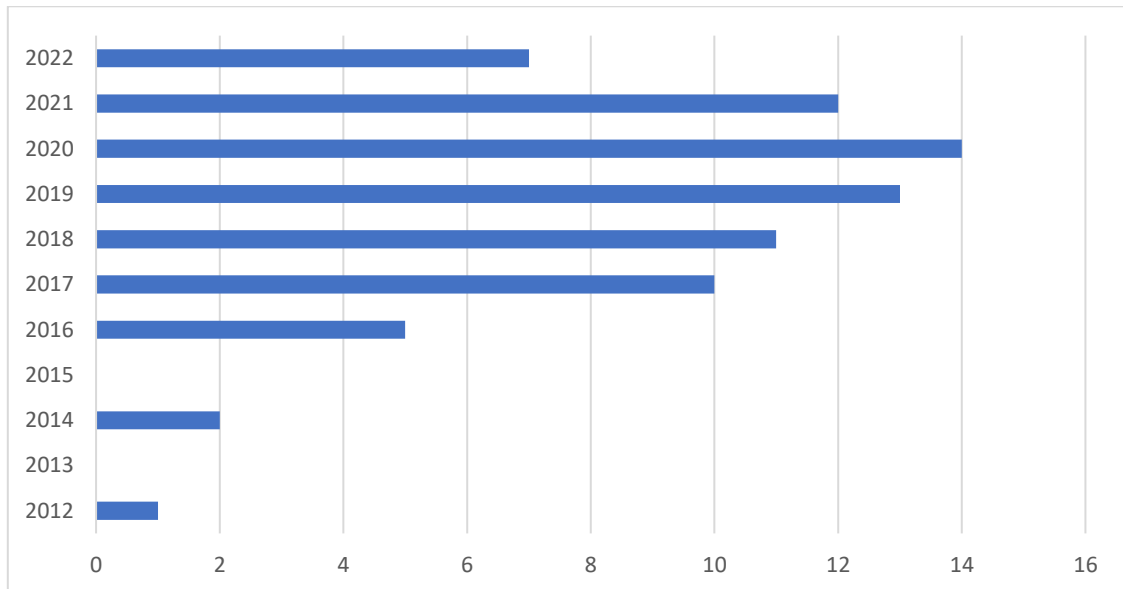
Year of 2020 was the year when the most published research with the topic of predicting financial difficulties in listed companies on the Indonesia Stock Exchange, there were as many as 14 papers published in scientific journals. Year of 2020 saw the peak of the increasing number of publications, which from 2016 to 2019 had shown an increase in research publications, and then started to decrease in 2021 to 2022 with 12 articles and 7 articles respectively.

From the perspective of Sinta accredited journals that published research papers on the topic of predicting financial distress, an overview can be seen in Figure 3:

Figure 3
Sinta Accredited Journals
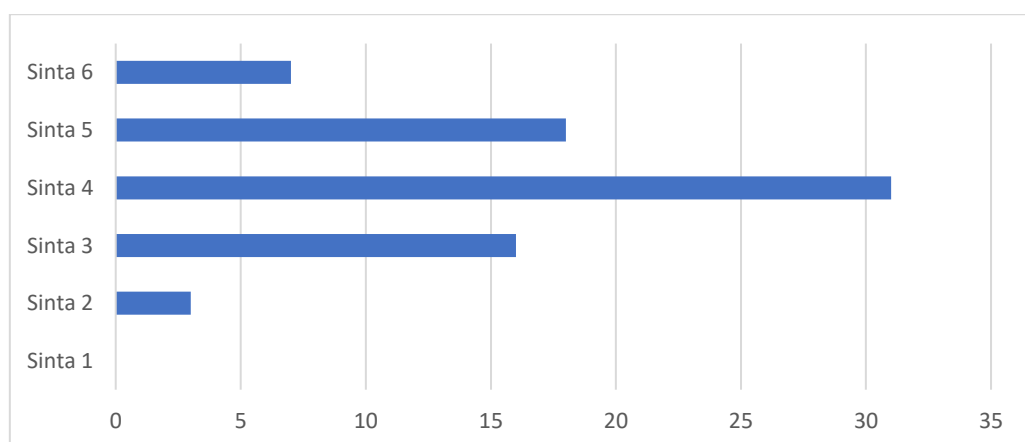
There are 31 papers published in Sinta 4 accredited scientific journals, this is the highest number for research on the topic of predicting financial distress in listed companies on the Indonesia Stock Exchange, while the least is in Sinta 2 accredited scientific journals, namely only 3 papers.

Publication in Sinta accredited journals gives important scientific weight because research papers which have been successfully published in these journals have gone through an accredited standard peer review process. It should be noted that in the process of screening papers, 127 published papers have been published in journals that are not or have not been accredited by Sinta, meaning that researcher has selected articles with a proper scientific weight for further analysis.

In terms of the business sector of the listed companies studied, companies with a manufacturing background are the most researched sample. However, it should be noted that manufacturing is a business sector that also underlies other business sectors such as basic industry, textile garment. Likewise, the non-financial business sector, in this case surely it also includes the manufacturing business sector. In fact, there was one research that chose a sample of the entire business sector as research material. Overall, the profile of the business sector presented is based on the samples written in these articles and is quite comprehensive in the sense that it can represent all business sectors on the Indonesia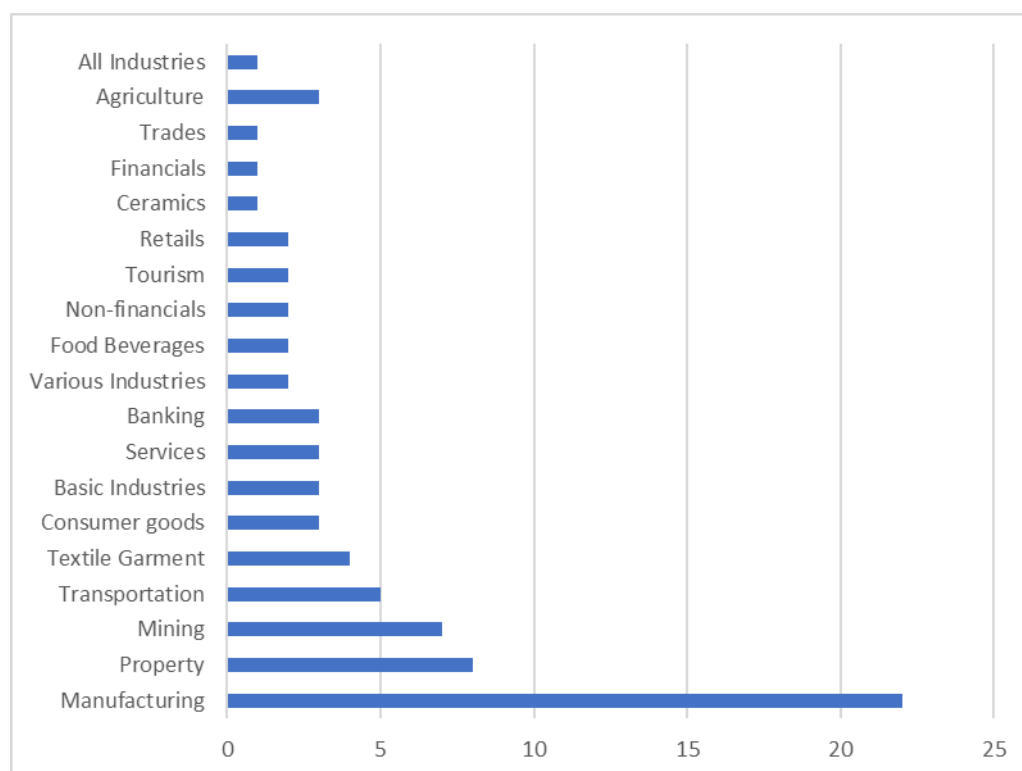 Stock Exchange. Of course, specifically, there are still business sectors that have not been represented, such as the technology sector and listed investment products. Figure 4 provides an overview of the listed companies' business sector which is the research sample.

Figure 4
Listed Companies Business Sectors

Determinant of Financial Distress Prediction

There are 2 major parts of the factors that influence the topic of financial distress prediction, namely financial ratios, and non-financial ratios. Financial ratio factors are based on information obtained from the listed companies' financial reports, while non-financial ratio factors obtain information from a wider range of sources, ranging from aspects of corporate governance to macroeconomic aspects.

From the articles analysed, 62 financial ratio factors were used, but only 21 financial ratios were used in more than 1 research. These financial ratio factors are depicted in Figure 5.

Figure 5
Financial Ratios Factors Used in More than 1 Paper
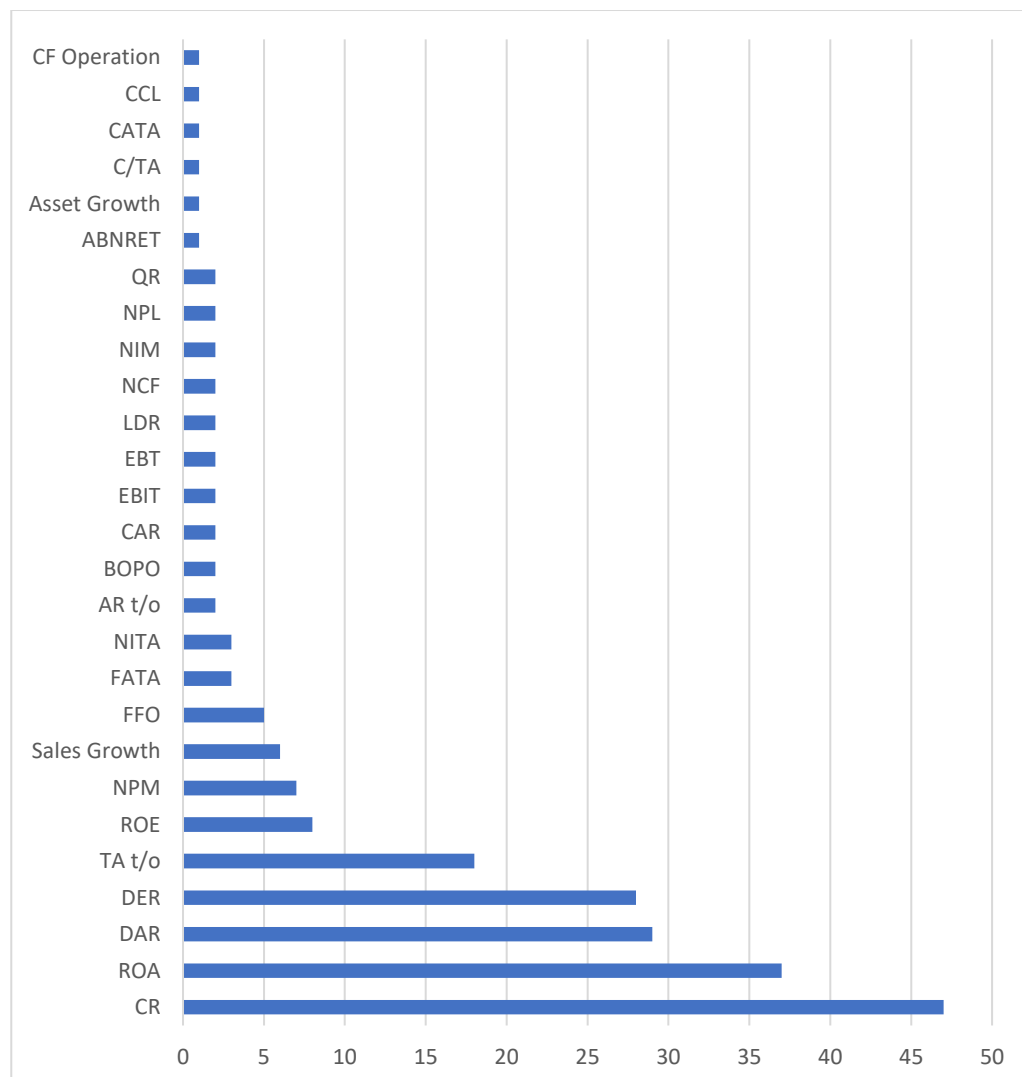
The most widely the financial comparison used in the research is a liquidity comparison, leverage, profitability, and activity, with the formula Current Ratio (CR) for liquidity ratios, Debt to Asset Ratio (DAR) and Debt to Equity Ratio (DER) for leverage ratios, then Return on Equity (ROE) and Return on Assets (ROA) for profitability ratios, as well as Total Asset Turn Over (TA t/o) for activity ratios. These financial ratios are used as independent variables in research hypotheses which are then tested with various statistical data analysis techniques.

The implication of the popularity of the financial ratios mentioned above is that there is a degree of uniformity in a certain level of published studies, and besides that, there is also an impression of a lack of research exploration on the determinants of predicting financial distress.

However, it should be appreciated that there are several other other financial comparisons used in this research, for example for profitability comparisons namely Net Profit Margin, Earning Before Income & Taxes, Net Profit becomes Equity, Net Profit becomes Sales, even using equity, both from retained elements Earnings are compared to the entire legacy to prove the company's ability to produce profits, as a result of retained earnings after deducting expenses, as well as stockholders' equity to show the ability of the company to meet its obligations both short term and long term.

In addition to the financial ratio factors, as stated above, the research also using the non-financial ratio factors as independent variables that effect financial distress. From the articles

126

analysed, there are 31 non-financial ratio factors used, where 12 factors are used in more than 1 study. The twelve non-financial ratio factors are depicted in Figure 6.

Figure 6
Non-Financial Ratios Factors Used in More Than 1 Paper
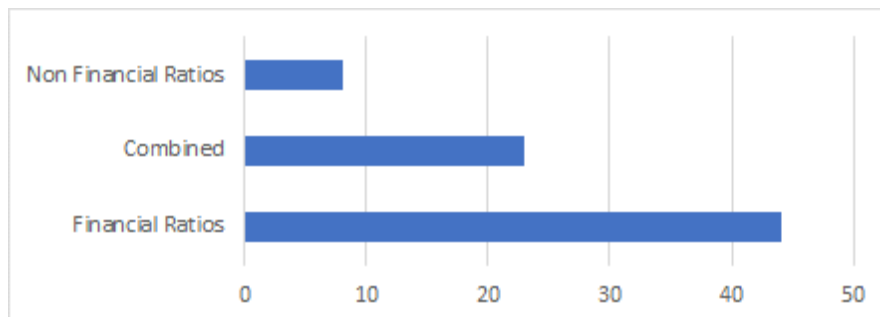
Discussion of Data Analysis Results

From the results of the analysis on the determinants of financial distress predictions, there are 6 main factors that prove to be the most influential (with the number of research findings being more than 10 studies), from financial ratio factors, there are profitability ratio, represented by ROA, the liquidity ratio, represented by CR, the leverage ratio, represented by DER and DAR, and the activity ratio which is represented by TA t/o. As for the non-financial ratio factors, there are company size, managerial ownership, and institutional ownership.

First, the liquidity ratio, namely the Current Ratio (CR), is the ratio that has the most negative effect on the prediction of financial difficulties, where the better the CR value, the less likely financial distress will occur. The CR formula is as follows: CR = current assets / current liabilities. Gitman and Zutter (2006) describes the liquidity ratio as a tool used to measure a company's ability to fulfill its maturing short-term roles, with reference to the legacy of a young company relative to its current roles. Therefore, the ratio of liquidity continues to be large so that the possibility of companies facing financial distress continues to be less likely. but a liquidity ratio that is too high will indicate that the company's working capital is unproductive, resulting in the emergence of costs that will reduce the company's profits and will have a positive effect on financial difficulties. Munthe (2008) and Suntratruk (2009) in both research found CR can significantly predict financial distress.

Second, the profitability ratio, namely Return on Assets (ROA), is a ratio that has a negative effect on the prediction of financial difficulties, which means that the higher the ROA value, the lower the possibility of financial difficulties occurring. This is in line with the theory that comparison of profitability is a comparison that measures the effectiveness of management in a totality manner, which is indicated by the level of profit obtained in relation to marketing and capital. Continue to be a large comparison of profitability so that the company's ability to get good profits continues to be good (Fahmi, 2013). ROA is the most important ratio among existing profitability ratios (Setiawan et al, 2017) because a high ROA value indicates a company's efficiency and effectiveness in managing assets (Fitriyah & Hariyati, 2013).

Third, the financial leverage ratio, namely the Debt-to-Asset Ratio (DAR) and the Debt-to-Equity Ratio (DER). DAR is also similar to the ratio of Total Assets to Total Liabilities (TATL). The financial leverage comparisons have a positive effect on estimates of financial distress. Kaplan (1993) also argues that very large loans will harm the company into a state of financial difficulty. Research from Almilia and Kristijadi (2003), Suntraruk (2009), and Salehi and Abendini (2009) found that leverage ratios can significantly predict financial difficulties. Another study from Utami (2015), which aims to prove the benefits of financial statements in predicting financial difficulties,

shows that the financial leverage ratio can be used to predict a company's financial difficulties, because the greater the financial leverage ratio, the more likely the company will experience financial distress.

Fourth, company size is a non-financial ratio factor that has an affect estimates of financial distress, company scale describes how much the entire legacy is owned by the company and added value for interested parties such as investors and creditors, because investors and creditors will not hesitate to invest and provide credit to the company so that the company will avoid financial difficulties. Companies that have large total assets will easily diversify and are less likely to experience bankruptcy, Rajan and Zingales (1995) in (Supriyanto and Falikhatun, 2008). The greater the total assets owned by the company, it is hoped that the company will be able to pay off future obligations, so that the company can avoid financial problems, Storey (1994) in (Fachrudin, 2011). Company size can be measured by Ln (Total Assets).

Fifth, the portion of managerial ownership and institutional ownership, both of which are non-financial ratio factors that are proven to influence the prediction of financial distress. Ownership of institutional shareholders is the sum of the percentage of voting rights held by institutions (Beiner et al, 2003). Institutional ownership continues to grow so that it continues to be efficient in the use of industrial heritage and is expected to function as a deterrent to inefficiencies attempted by management. (Faisal, 2005). The measurement is by using the ratio of the number of shares owned by the institution to the total number of shares outstanding. Meanwhile, managerial ownership is the number of share ownership by the management of the entire share capital of the company being managed (Gideon, 2005). Jensen and Meckling (1976) say that one way to eliminate this conflict of interest is to provide managers with incentives to take actions that are in accordance with the interests of the owners, for example with managerial ownership. Measurement is carried out using the ratio of the number of managerial ownership shares to the total number of outstanding shares.

Sixth, the activity ratio using the Total Asset Turn Over (TA t/o) formula proves the analogy between marketing and the overall legacy of a company where this ratio describes the rate of turnover of total assets in a certain period. The formula for Total Asset Turnover is total sales divided with all the assets owned by the company. If the company has difficulty increasing sales, then the company has the potential to experience a decrease in company profits, and ultimately the company will experience financial difficulties. Likewise, according to Kasmir (2012: 185) which states that total asset turnover is a comparison of legacy management that measures the rotation of all company assets and is calculated by separating marketing from total assets and measuring the amount of marketing received from each rupiah of assets.. If the company does not generate sufficient business volume for the investment size of its total assets, then sales must be increased, to avoid potential financial difficulties.

CONCLUSIONS AND SUGGESTION

Based on the results of research using the SLR method which was conducted in journals published from 2012 to 2022, the following conclusions can be drawn.

1. Research on the topic of predicting financial distress was most widely published in 2020, preceded by an increase in the number of publications since 2016. Then research on the topic of predicting financial difficulties was most widely published in scientific journals with Sinta 4 accreditation, which is a good thing that Sinta accredited journals have given a lot of room for the publication of papers researching the topic of predicting financial distress.

2. There are two major groups of factors that influence the prediction of financial distress, namely financial ratios and non-financial ratios. Financial ratios based on information obtained from the issuer's financial statements and giving 62 variables of financial ratios in research and liquidity ratios with the Current Ratio are the financial ratio factors that have the most influence on the prediction of financial difficulties. Meanwhile, non-

financial ratio factors are based on information from a broader source than financial report figures. Factors non-financial ratios provide 31 independent variables in research predicting financial difficulties.

3. Main factors or determinants that are proven to influence the prediction of financial distress, namely from the financial ratio factor, namely the profitability ratio, namely ROA, the liquidity ratio, namely CR, the leverage ratio, namely DER and DAR, and the activity ratio, namely TA t/o. As for the non-financial ratio factors are company size, managerial ownership, and institutional ownership.

From the results of this study, researcher recommend suggestions so that academics and future researchers, company management, shareholders, and also related stakeholders, can practice the corporate financial distress predictions in a more precise and accurate manner by using determinants that are proven to be the most influential in predicting financial distress. Future researcher may as well explore more on different factors, both from financial ratios or non- financial comparisons, to account for financial distress in empirical research, adding more scientific studies in this field. Nevertheless, of importance is that the findings of previously published literature can be a point of reference for next researched keen on financial distress, prediction, and mitigation studies.

REFERENCES

Altman, EI. (1968). Financial Ratios, Discriminant Analysis And The Prediction of Corporate Bankruptcy. The Journal of Finance, 23 (4).

Alvianto, MNH., Adam, NP., Sodik, IA., Sediyono, E., and Widodo, AP. (2022). Dampak Dan Faktor Kesuksesan Penerapan Enterprise Resource Planning Terhadap Kinerja Organisasi: Sistematic Literature Review. Jurnal Nasional Teknologi Dan Sistem Informasi, 7(3) : 172–180.

Ariesta, DR., and Chariri, A. (2013). Struktur Kepemilikan Saham dan Komite Audit Terhadap Financial Distress. Jurnal Akuntansi Dan Ekonomika Dan Bisnis Universitas Diponegoro, 1: 1–9.

Beiner, S., Drobetz, W., Schmid, F. and Zimmermann, H. (2004). Is Board Size an Independent Corporate Governance Mechanism?. Kyklos, 57: 327-356.

Fachrudin, K.A. (2011). Analisis Pengaruh Struktur Modal, Ukuran Perusahaan, dan Agency Cost Terhadap Kinerja Perusahaan. Jurnal Akuntansi dan Keuangan, 13(1) : 37-46.

Fahmi, I. (2014). Analisis Laporan Keuangan. Bandung: Alfabenta.

Faisal. (2005). Analisis Agency Cost, Struktur Kepemilikan dan Mekanisme Corporate Governance. Jurnal Riset Akuntansi Indonesia. 8 (2) : 175-190

Fitriyah, I., and Hariyati. (2013). Pengaruh Rasio Keuangan Terhadap Financial Distress pada Perusahaan Properti dan Real Estate. Jurnal Ilmu Manajemen, 1(3).

Gideon, B. (2005). Kualitas Laba: Studi Pengaruh Mekanisme Corporate Governance dan Dampak Manajemen Laba dengan Menggunakan Analisis Jalur. Simposium Nasional Akuntansi. Solo.

Gitman, L., & Zutter, C. (2006). Principles of Managerial Finance. Eleventh Edition. New York: Addison Wesley

Hanafi, J., and Breliastiti, R. (2016). Peran Mekanisme Good Corporate Governance dalam Mencegah Perusahaan Mengalami Financial Distress. Jurnal Online Insan Akuntan 1(1) : 195–220.

Handojo, SE. (2017). Pengaruh Rasio Keuangan dan Good Corporate Governance terhadap Financial Distress pada Perusahaan Sektor Non-keuangan yang Terdaftar di Bursa Efek Indonesia Periode 2011-2015. CALYPTRA, 6(2) : 858–876.

Harahap, LW. (2017). Pengaruh Mekanisme Corporate Governance Dan Firm Size Terhadap Kondisi Financial Distress pada Perusahaan Property And Real Estate Yang Terdaftar di Bei

Tahun 2010-2014. Jurnal Riset Akuntansi & Bisnis, 17(2)

Jensen, MC., and Meckling, WF. (1976). Theory of The Firm: Managerial Behavior, Agency Costs, and Ownership Structure. Journal of Financial Economics, 3 : 305-360

Kasmir. (2014). Analisis Laporan Keuangan, Edisi 7, PT. Raja Grafindo Persada, Jakarta

Kitchenham, B., and Charters, S. (2007). Guidelines for performing Systematic Literature Reviews in Software Engineering (EBSE 2007-001). In Keele University and Durham University Joint Report.

Kitchenham, B., Pearl Brereton, O., Budgen, D., Turner, M., Bailey, J., and Linkman, S. (2009). Systematic Literature Reviews in Software Engineering - A Systematic Literature Review. Information and Software Technology, 51(1) : 7–15.

Luciana, SA., and Kristijadi. (2003). Analisis Rasio Keuangan untuk Memprediksi Kondisi Financial Distress Perusahaan Manufaktur yang Terdaftar di BEJ. Jurnal Akuntansi dan Auditing Indonesia, 7(2) : 183 - 206.

Mas'ud, I., and Srengga, RM. (2012). Analisis Rasio Keuangan untuk Memprediksi Kondisi Financial distress Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia. Jurnal Akuntansi Universitas Jember, 10 (2).

Munthe, K., (2008). Pengaruh Struktur Kepemilikan, Makro Ekonomi, dan Kinerja Keuangan Terhadap Kesulitan Keuangan Perusahaan. Media Unika Tahun 20 : 73(4).

Platt, HD., and Platt, MB. (2002). Predicting Corporate Financial Distress: Reflections on Choice-based Sample Bias. Journal of Economics and Finance. 26:184–199

Platt, HD., and Platt, MB. (2006). Understanding Differences Between Financial Distress and Bankruptcy. Review of Applied Economics, 2 (2).

Putri, VA., (2019). Pengaruh Penerapan Corporate Governance Terhadap Tingkat Financial Distress (Studi pada Perusahaan Sektor Pertambangan yang Terdaftar di Bursa Efek Indonesia Periode 2013-2017). SKRIPSI Jurusan Manajemen-Fakultas Ekonomi UM.

Salehi, M., and Abendini, B. (2009). Financial Distress Prediction in Emerging Market: Empirical Evidences from Iran. Interdisciplinary Journal of Contemporary Research in Business, 1(1) : 6-26.

Setiawan, D., Oemar, A., and Pranaditya, A. (2017). Pengaruh Laba, Arus Kas, Likuiditas Perusahaan,Ukuran Perusahaan, Leverage, Kepemilikan Institusional, dan Kepemilikan Manajerial untuk Memprediksi Kondisi Financial Distress. Jurnal Ilmiah Mahasiswa S2 Akuntansi Universitas Pendanaran 3 (3) : 2502-7697.

Kaplan, SN., and Stein, JC. (1993). The Evolution of Buyout Pricing and Financial Structure in the 1980s, The Quarterly Journal of Economics. 108 (2) : 313–357,

Rajan, R.G. and Luigi, Zingales. (1995). What do we know about capital structure? Some evidence frominternational data. Journal of finance, Vol.50, 5,hlm.1421-1460.

Suntraruk, P. (2009). Predicting Financial Distress: Evidence from Thailand. Martin de Tours School of Management.

Supriyanto, E., and Falikhatun, F. (2008). Pengaruh Tangibility, Pertumbuhan Penjualan dan Ukuran Perusahaan terhadap Struktur Keuangan. Jurnal Bisnis dan Akuntansi, 10(1) : 13-22.

Utami, M. (2015). Pengaruh Aktivitas, Leverage, Dan Pertumbuhan Perusahaan Dalam Memprediksi Financial Distress (Studi Empiris pada Perusahaan Manufaktur yang Terdaftar di BEI Periode 2009-2012). Jurnal Akuntansi, 3(1).

THE EFFECT OF TECHNOLOGY CHARACTERISTICS IN THE CONTINUED USE OF CHARITY CROWDFUNDING PLATFORMS THROUGH TRUST AND USER SATISFACTION

Eska Almuntaha[1], Nur Rahmawati[2], Arsyad M. Basyarudin[3], Eka B. Kurniawan[4]
Faculty of Information Technology and Business, Institut Sains & Teknologi AKPRIND

ARTICLE INFO

ABSTRACT

This research's objective is to examine the effect of technological characteristics on trust and satisfaction in using a charity crowdfunding platform so that the user will reuse the platform. The use of technology in excellent and sustainable online donation fundraising requires the fulfilment of technological characteristics. A study by Bhattacherjee (2001)*) stated that continued use influences information technology's success. Another significant area in information systems research is user satisfaction because it is an essential factor in measuring the use and success of an information system (Bailey and Pearson, 1983; Ives et al., 1983; Doll and Torkzadeh, 1988; Delone and McLean, 1992 in Roca et al., 2006). This study used the purposive sampling method and tested the hypothesis using the Structural Equation Model (SEM). This research proves that trust affects the satisfaction of using a charity crowdfunding platform, but not with technological characteristics. Meanwhile, users' satisfaction influences continued use but not trust*

INTRODUCTION

Information technology development for Indonesia's financial sector is very rapid. Many digital financial services create alternatives for people to carry out economic activities with the presence of digitally financial services in society, making life easier. Not only for banking and business matters, but digital financial services can also be used for mutual assistance. Since the Covid-19 pandemic hit, digital financial services have increased, including charity crowdfunding platform services. The advances in information technology have positively impacted finance, including social fundraising activities through online applications or so-called charity crowdfunding. A charity crowdfunding platform is a non-profit online fundraising method used in various fields, such as education, health, natural disasters, culture, performing arts and others (Belleflamme et al., 2014).

Donation fundraising is a social and humanitarian program carried out by a group of people or non-profit organizations to raise funds for a specific purpose. Online donation fundraising makes the circulation of funds in the community even more significant, resulting in increased economic growth. The development of charity crowdfunding platforms has been quite significant in the last five years, both in terms of the number of platforms, the diversity of applications, and the total amount of income earned (Ministry of Finance, 2022). Donations can be made easily, quickly, and as desired with a charity crowdfunding platform. Donors deciding to use charity crowdfunding platform services have special considerations in choosing the transaction application service to be used by considering the convenience features of technological characteristics. Donors will make online transactions using service applications that are easier, more practical, faster and less complicated (Li et al., 2020). In addition, the applications offered must have technological innovations so that the quality of services and products is increasingly experiencing dynamic development. The use of technology in excellent and continued use of online donation fundraising meets the technological characteristics. Technological characteristics are divided into three categories (Ayyagari et al, 2011):

Usability features, there are three indicators used, namely usefulness, complexity and reliability.
1. Disturbance feature, there are two indicators used, namely presenteeism and anonymity.
2. Dynamic features as measured by the speed of changes in technology used.

An online donation fundraising application that meets the technological characteristics mentioned above can increase user trust and satisfaction so that users will return to donate online by using the application. The large number of charity crowdfunding platform that are currently developed, such as kitabisa, dompetduafa, ayopeduli.id, gandengtangan, benihbaik, WeCare.id, etc., make people have choices to be easier and more reliable to donate. Therefore, this research can be a reference for the platform developers. This research examined the effects of technological characteristics in building trust and user satisfaction with information technology so that users will reuse it. The limitation of the problem in this study is that the information technology tested is an charity crowdfunding platform where data collection is carried out using a purposive sampling technique through Google form, distributed mainly through the research team's social media.

THEORETICAL FRAMEWORK AND HYPOTHESES
Charity crowdfunding platform

Donation fundraising is a social and humanitarian program by several people or non-profit organizations to raise funds for a specific purpose. In Indonesia, many fundraising activities are carried out because of the culture of mutual help inherent in society. According to Filantropi Indonesia, one of the goals of raising donations is to participate in achieving social justice and sustainable development. Dataindonesia.id states that internet use in Indonesia reached 73.7% of the population in early 2022. This increase in internet use is mainly due to the use of mobile phones in society, which has increased significantly since the Covid-19 pandemic. Studies show that mobile phones and internet use for financial transactions have increased significantly (Demirgüç-Kunt et al., 2018). Increasing internet access through affordable devices can enable people to use cheaper payment systems when making transactions. According to World Bank data, in general, two-thirds of 1.7 billion adults still do not have a bank account but have a cell phone. This allows the public to access financial services, including charity crowdfunding platforms, to increase community financial inclusion. According to Bank Indonesia, one of the goals of financial inclusion is to minimize inequality and improve people's welfare to reduce poverty. Financial inclusion is a bridge between the gap between the rich and the poor. With physical restrictions due to the Covid-19 pandemic, many people have switched to charity crowdfunding platform to donate, both smartphone-based and web-based.

Technology Characteristics
The technology characteristics used in this study were adopted from (Ayyagari et al., 2011) as follows:
1. Usability Features

   Usability features can be identified by three indicators as follows:
   a) Usefulness is defined as one of the technology characteristics that can improve users' performance.
   b) Complexity is defined as one of the characteristics of technology that make users feel easy to use the technology.
   c) Reliability is defined as a technological characteristic that makes the features and capabilities provided reliable by its users.

2. Interruption Feature

   Disturbance features can be identified by two indicators as follows:
   a) Presenteeism has defined a technology characteristic that allows users to access each other.
   b) Anonymity is a characteristic of technology that allows identifying its users.

3. Dynamic Features

   The pace of change can identify usability features, that is, the technology characteristic that continues to change along with its development, so users must continuously update and adapt to rapidly changing technology.

In previous research about technology adoption, the importance of developing technologies that demonstrate characteristics of usefulness and reliability (Ayyagari et al., 2011).

Trust

   Trust is defined as user confidence in conducting transactions with an information system. Trust is one of the critical factors in e-commerce (Gong et al., 2022). Moreover, it can adapt to financial technology, including charity crowdfunding platform.

   H_1: Technology characteristics positively affect users' trust in charity crowdfunding platform.

Satisfaction

   Satisfaction is defined as the user's feelings that compare their expectation and experience to reusing the technology. Ding et al. (2017) stated that satisfaction consists of being satisfied with the application, having a pleasant experience using the application, and the application's performance according to what is expected.

   H_2: Technology characteristics positively affect the user's satisfaction of charity crowdfunding platform.

   H_3: Trust positively affects the user's satisfaction of charity crowdfunding platforms.

Continued Use

   A study conducted by Bhattacherjee (2001) shows that the success of information technology is influenced by its continued use. One of the critical reasons for the continued use of information technology is that the investment in information technology provides benefits from the start of implementing the information technology onwards. In the information technology adoption literature, it is implicitly assumed that the decision to adopt information technology has almost the same meaning as the decision to continue using it (Hong et al., 2006). In information systems research, user satisfaction is an essential factor in measuring the use and success of an information system (Roca et al., 2006) . Roca et al. (2006) propose a taxonomy and interactive model as a framework for conceptualizing and operationalizing successful information systems. They included six main dimensions of information system success: system quality, information quality, usage, user satisfaction, individual impact, and organizational impact. In this model, system and information quality individually and collectively affect system use and user satisfaction. Continued use can be defined as customer loyalty. Customer loyalty is a customer commitment to a brand, store, supplier, based on a positive attitude that is reflected in a consistent repurchase (Suariedewi, 2020). In financial sector, trust is the basis for maintaining customer loyalty. Building customers loyal in charity crowdfunding platforms is an important factor (Husain, 2017). The more trust, the more customer will use the platforms.

   H_4: Trust positively affects the continued use of charity crowdfunding platforms.

Customer's satisfaction can increase the platform use's intensity. Suariedewi (2020) proved that satisfaction will affect the loyalty to continue using mobile banking application.

H_5: Satisfaction positively affects the continued use of charity crowdfunding platforms.

Figure 1.
Research Framework
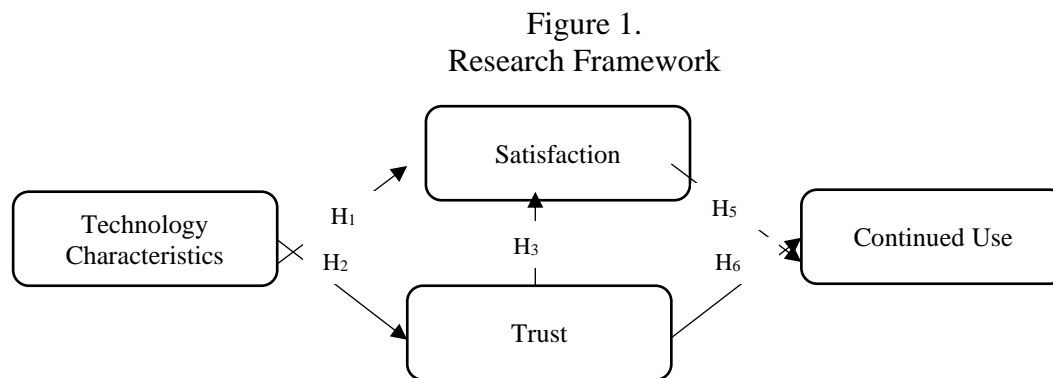
Source: processed data, 2022

RESEARCH METHODS

The source of data in this research is primary data. The object of this research is the community of users of online donation fundraising applications in Indonesia. Sampling in this study used a purposive sampling method by giving questionnaires to people who have used charity crowdfunding platforms. Questionnaire distribution was carried out through Google Forms on social media. Nine variables in this study are measured by a Likert scale of 1-5, from disagreeing to strongly agreeing.

Table 1
Research variables

Variable	Questionnaire items
a. Technology Characteristics:	
1. Usefulness (U)	4
2. Complexity (C)	3
3. Reliability (R)	3
4. Presenteeism (P)	4
5. Anonymity (A)	4
6. The pace of change (PoC)	4
b. Satisfaction (S)	4
c. Trust (T)	4
d. Continued use (CU)	3

Source: processed data, 2022

The validity criteria include convergent validity and discriminant validity. Convergent validity is measured by factor loading (with valid criteria > 0.70), as well as AVE (Average Variance Extracted) and commonality with valid criteria above 0.50 each. Meanwhile, discriminant validity was assessed based on factor loading or comparing the AVE root value with the correlation between constructs. The construct is valid if the AVE root value exceeds the correlation between constructs. Reliability measured using Cronbach's Alpha and Composite Reliability that meets the requirements > 0.70. This study uses a composite reliability measure to determine to construct reliability because composite reliability is a closer approximation assuming that parameter estimates are accurate and a measure of internal consistency used for constructs with reflective indicators.

Hypothesis measured using Partial Least Square – Structural Equation Modeling (PLS-SEM) by smartPLS 4.0. PLS-SEM is a powerful analytical method because it is not based on many

assumptions (it does not have to be the multivariate normal distribution, and the sample does not have to be significant). PLS-SEM can be used to confirm the theory, also can explain the relationship between laten variable. Hypothesis testing can be done using p-value with Alpha used at 0.05, if p-value < 0.05 the research hypothesis is accepted.

RESULTS AND DISCUSSION
Data were collected from respondents who have experience using charity crowdfunding platform applications. The questionnaire was distributed online through the researcher's social media, 106 respondents participated, but only 85 respondents filled out the questionnaire completely, met the criteria and could process for analysis. The following table is the descriptive data of respondents in this study:

Table 2.
Descriptive Data

Genders:	
Female	72.94%
Male	27.06%
Age:	
< 21 years old	10.59%
21 - 40 years old	72.94%
41 - 60 years old	16.47%
Education:	
High school	5.88%
Diploma	1.18%
Bachelor	49.41%
Master	42.35%
Doctor	1.18%
Occupation:	
Employee	43.53%
Self-employed	12.94%
State Civil Apparatus	20.00%
Freelance	3.53%
Housewife	5.88%
Student	14.12%
Domicile:	
Java Island	82.35%
Outside of Java Island	17.65%

Source: processed data, 2022

Table 2 shows that the majority respondent of this study is female (72.94%). In addition, the majority age is about 21 – 40 years old (72.94%), categorized as millennials and gen z so that they can be experts in information technology. It relates to education that mostly the respondents are a bachelor's (49.41%) and a master's (42.35%). The respondents also have a reasonable salary rate, which their occupation can see. We simplify respondents' domicile into two categories: Java Island and Outside of Java Island because most internet usage is in Java Island (Statistics Indonesia, 2021).

Validity and Reality Test

Test the validity and reliability using a result of more than 0.70. In testing, the following are valid question items:

Table 3
Factor Loadings

	Factor Loading		*Factor Loading*		*Factor Loading*		*Factor Loading*
A1	0,859	PoC1	0,936	R3	0,928	S1	0,871
A2	0,867	PoC2	0,962	U1	0,829	S2	0,857
A3	0,906	PoC3	0,966	U2	0,731	S3	0,917
C1	0,974	PoC4	0,907	U3	0,875	S4	0,821
C2	0,972	R1	0,854	U4	0,886	CU1	0,94
P3	0,941	R2	0,946	T3	0,943	CU2	0,916
P4	0,886			T4	0,933		

Source: processed data, 2022

The table above is a valid question item with a factor loading value above 0.70. The question items with factor loading less than 0.70 mean not valid is excluded from the hypothesis test.

Table 4
Validity and Reliability Test Results

	Cronbach's alpha	rho_a	rho_c	AVE
A	0,852	0,861	0,910	0,770
C	0,943	0,944	0,972	0,946
P	0,807	0,864	0,910	0,835
PoC	0,959	0,976	0,970	0,890
R	0,896	0,904	0,935	0,829
U	0,853	0,910	0,900	0,693
T	0,864	0,868	0,936	0,880
S	0,890	0,892	0,924	0,752
CU	0,840	0,856	0,925	0,861

Source: processed data, 2022

Hair *et al*. (2019) state that if the AVE value is > 0.5, then the data is valid. In the table above, the AVE value is above 0.5, so the data is valid, with Cronbach's alpha and composite reliability values. Therefore, the respondent's data is valid and reliable from the processed data.

Hypothesis Testing

Based on what was discovered in the PLS-SEM, the results of the hypotheses were indicated as the following

Figure 2
Structural Model
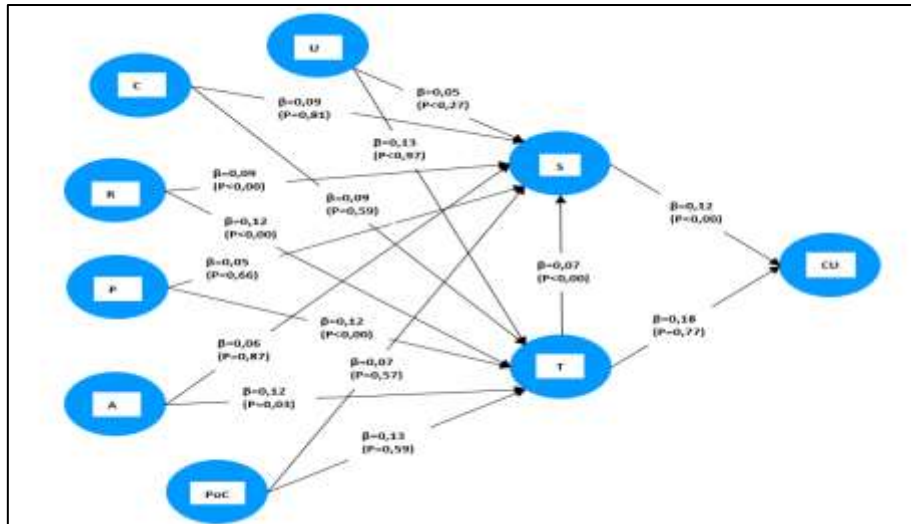
Source: processed data, 2022

H_1: Technology characteristics positively affect users' trust in charity crowdfunding platforms.

Table 5
Hypothesis 1 Results

	β	T- Statistics	P-Value	
A > T	0,125	2,082	0,037	Accepted
C > T	0,099	0,537	0,591	Not accepted
P > T	0,122	2,014	0,004	Accepted
PoC > T	0,130	0,536	0,592	Not accepted
R > T	0,120	2,769	0,006	Accepted
U > T	0,134	0,029	0,977	Not accepted

Source: processed data, 2022

The table above shows that anonymity, presenteeism and reliability are the technology characteristics that positively affect trust in charity crowdfunding platforms. Meanwhile, the usefulness, complexity and pace of change did not positively affect trust in the charity crowdfunding platform. From the result above, we can see that the critical factors of technology characteristic for charity crowdfunding platform users' trust are anonymity, presenteeism and reliability of the information technology. However, the users use the charity crowdfunding platform because they think it is useful even though it is complex and often changes, so these three variables did not affect their trust.

H_2: Technology characteristics positively affect the user's satisfaction with the charity crowdfunding platform.

The Effect Of Technology Characteristics In The Continued Use Of Charity Crowdfunding
Platforms Through Trust And User Satisfaction
Eska Almuntaha, Nur Rahmawati, Arsyad M. Basyarudin, Eka B. Kurniawan

Table 6
Hypothesis 2 Results

	β	T- Statistics	P-Value	
A > S	0,066	0,155	0,877	Not accepted
C > S	0,090	0,234	0,815	Not accepted
P > S	0,058	0,043	0,664	Not accepted
PoC > S	0,071	0,557	0,577	Not accepted
R > S	0,091	5,087	0,000	Accepted
U > S	0,055	1,099	0,272	Not accepted

Source: processed data, 2022

The table above shows that reliability is the technology characteristic that positively affects the satisfaction of using a charity crowdfunding platform. Meanwhile, usefulness, complexity, presentability, anonymity and pace of change did not positively affect the satisfaction of using charity crowdfunding platforms. Charity crowdfunding platforms' technology must only be reliable to satisfy the user. The user does not care about the other technology characteristic when they realize the application is reliable.

H_3: Trust positively affects the continued use of charity crowdfunding platforms.

Table 7
Hypothesis 3 Results

	β	T- Statistics	P-Value	
T > S	0,076	6,617	0,000	Accepted

Source: processed data, 2022

The table above shows that the trust variable positively affects the satisfaction of using a charity crowdfunding platform. This result supports Suariedewi and Suprapti (2020) that trust positively and significantly affects customers' satisfaction with m-banking applications. It also proves in charity crowdfunding platforms.

H_4: Trust positively affects the continued use of charity crowdfunding platforms.

Table 8
Hypothesis 4 Results

	β	T- Statistics	P-Value	
T > CU	0,185	0,290	0,771	Not accepted

Source: processed data

The table above shows that the trust variable is not proven to positively affect the continued use of charity crowdfunding platforms. Therefore, trust without satisfaction cannot make the user reuse the charity crowdfunding platform, so trust does not directly affect the continued use of the charity crowdfunding platform.

H_5: Satisfaction positively affects the continued use of charity crowdfunding platforms.

Table 9.
Hypothesis 5 Results

	β	T- Statistics	P-Value	
S > CU	0,124	5,001	0,000	Not accepted

Source: processed data, 2022

The table above shows that the satisfaction variable positively affects the continued use of charity crowdfunding platforms. Satisfaction is proven to affect the continued use of charity crowdfunding platforms, supporting previous studies.

CONCLUSIONS AND SUGGESTION

This study shows that trust in charity crowdfunding platform applications positively affects satisfaction with charity crowdfunding platforms but does not directly affect the continued use of charity crowdfunding platforms. Furthermore, satisfaction with using the charity crowdfunding platform application has a positive effect on the sustainability of the use of the charity crowdfunding platform application. However, all technology characteristic variables do not affect charity crowdfunding platform satisfaction. The trust of charity crowdfunding platform users is affected by anonymity, which means that users trust that hides the donor's identity well. So is presenteeism. Meanwhile, the reliability of the charity crowdfunding platform affects user satisfaction and trust. Managers of charity crowdfunding platforms can pay more attention to the factors of reliability, anonymity and perspective in developing their applications to improve the user's trust and satisfaction, thus impacting the continued use of the application. This research proves that users trust is essential to raise donations for social purposes.

In Indonesia, not many people use charity crowdfunding platform applications. Generally, people prefer to channel social donations directly, not through applications, especially people outside big cities. It shows that the financial inclusion of the Indonesian people is not evenly distributed. For further research, it is possible to test what variables affect user trust in a charity crowdfunding platform.

REFERENCES

Ayyagari, R., Grover, V., & Purvis, R. (2011). *Technostress: Technological Antecedents And Implications 1*. Http://Www.Misq.Org

Belleflamme, P., Lambert, T., & Schwienbacher, A. (2014). Crowdfunding: Tapping The Right Crowd. *Journal Of Business Venturing*, *29*(5), 585–609. Https://Doi.Org/10.1016/J.Jbusvent.2013.07.003

Bhattacherjee, A. (2001). *Bhattacherjee/Lnformation Systems Continuance Mis Qarterjy Understanding Information Systems Continuance: An Expectation-Confirmation Model1 Motivation For The Study* (Vol. 25, Issue 3).

Statistics Indonesia. (2022). *Telecommunication Statistics In Indonesia 2021*.

Demirgüç-Kunt, A., Klapper, L., Singer, D., Ansar, S., & Hess, J. (2018). *The Global Findex Database 2017 Measuring Financial Inclusion And The Fintech Revolution*.

Ding, S., Wang, Z., Wu, D., & Olson, D. L. (2017). Utilizing Customer Satisfaction In Ranking Prediction For Personalized Cloud Service Selection. *Decision Support Systems*, *93*, 1–10. Https://Doi.Org/10.1016/J.Dss.2016.09.001

Gong, J., Said, F., Ting, H., Firdaus, A., Aksar, I. A., & Xu, J. (2022). Do Privacy Stress And Brand Trust Still Matter? Implications On Continuous Online Purchasing Intention In China. *Current Psychology*. Https://Doi.Org/10.1007/S12144-022-02857-X

Hong, S. J., Thong, J. Y. L., & Tam, K. Y. (2006). Understanding Continued Information Technology Usage Behavior: A Comparison Of Three Models In The Context Of Mobile

Internet. *Decision Support Systems*, *42*(3), 1819–1834.
Https://Doi.Org/10.1016/J.Dss.2006.03.009

Li, X., Zhao, X., Xu, W. (Ato), & Pu, W. (2020). Measuring Ease Of Use Of Mobile Applications
In E-Commerce Retailing From The Perspective Of Consumer Online Shopping Behaviour
Patterns. *Journal Of Retailing And Consumer Services*, *55*.
Https://Doi.Org/10.1016/J.Jretconser.2020.102093

Roca, J. C., Chiu, C. M., & Martínez, F. J. (2006). Understanding E-Learning Continuance
Intention: An Extension Of The Technology Acceptance Model. *International Journal Of
Human Computer Studies*, *64*(8), 683–696. Https://Doi.Org/10.1016/J.Ijhcs.2006.01.003

THE INFLUENCE OF DIGITAL FINANCIAL LITERACY ON FINANCIAL WELL-BEING WITH FINANCIAL BEHAVIOR AS A MODERATION VARIABLE: COMMUNITIES IN WEST SUMATRA

Amalda Aulia[1], Rita Rahayu[2], Asniati Bahari[3]
Faculty Of Economics and Business, Universitas Andalas

ARTICLE INFO	ABSTRACT
	This study aims to determine the relationship between digital financial literacy and financial well-being, and financial behavior moderates the relationship between the two. Digital financial literacy is a combined concept between financial literacy and digital aspects. Financial well-being is considered a benchmark or a person's level of satisfaction with his financial status, which can be seen from the amount and quantity. In this case, the limitation is that the data used in the research is limited to respondents from West Sumatra region only. The data obtained were 215 respondents spread throughout the West Sumatra region. Data collection uses a questionnaire distributed via Google Forms on several social media applications. The approach in this study is quantitative, and the design of this study is hypothesis testing which aims to examine the effect of each variable. The study results show a significant influence between digital financial literacy and financial well-being, and financial behavior significantly moderates the relationship between digital financial literacy and the financial well-being of people in West Sumatra. For future research recommendations, it is suggested to expand data collection to areas with larger populations, or even broader by adding respondents from other regions. Additionally, it is recommended to make the question indicators more specific.

INTRODUCTION

A person must have a good financial understanding, so they must understand more about financial products and services. understanding Anyone with a source of income generally wants to be in good financial standing. Nowadays, the subject of financial literacy is very appealing. Everyone aspires to have a sound financial situation today and keep it that way in the future. Financial literacy, however, is insufficient to shield society from financial goods and services. Every aspect of life, including financial aspects, has been digitalized as a result of the emergence of an era focused on technological development. Technology is combined with a financial product or service to create financial technology (Fintech), which eventually develops into a traditional-to-online business model. They carry a certain amount of cash and make their initial payment in person. Now, transactions can be finished remotely (Winarto, 2020).

The OJK lists several potential risks associated with fintech and its advantages, including cybercrime, non-payment, money laundering, and terrorism. Regrettably, the number of cases involving fintech firms has increased. Between 2019 and 2021, OJK collected 19,711 complaints against authorized P2P lending and illegal online lending service providers. Up to 47.03% of the cases involved heavy commanders, and the remaining 10,441 involved light violations. Disbursement of funds or loans without the applicant's consent, threats to reveal personal information, claims of terror or intimidation in all phone contacts, and accusations of abusive language and sexual harassment ranked as the top four complaints that appeared most frequently in the report. According to the most recent data, there will only be 104 licensed fintech lending companies registered with OJK as of October 15, 2021. This information suggests that several fintech lending businesses are already up and running, with some still awaiting approval.

Unfortunately, only a small number of those with close ties to the company have been identified among the numerous individuals who still need to be investigated legally.

Several factors, including the requirement for greater public comprehension of the use of digital platforms to manage and make financial decisions, influenced the context of this study. Prior research has mainly concentrated on financial literacy. In the modern world, everything is connected to digital media. To live peacefully, humans must respect the passage of time. The exciting thing about digital financial literacy is that it can directly impart information about online shopping, various online payment methods, and the online banking system (Prasad et al., 2018).

Digital financial literacy is necessary to prevent fintech crimes in the modern era, as financial literacy alone is insufficient to create a society free from fintech crimes. By educating the public about digital finance, more people will become capable of managing their own finances wisely and avoiding the dangers and drawbacks of financial technology.

Finding out what influences financial literacy is interesting to discuss, especially considering Indonesia's growing use of digital finance. According to the Indonesian National Strategy for Financial Literacy, several principles can act as benchmarks for economic growth by encouraging digital financial services, including Digital Strength and Financial Literacy and Awareness. According to the previous statement, digital financial literacy can be one of the key elements supporting a nation's economic development and prosperity. (OJK, 2017)

With the evidence of the events above, it can be concluded that whether a person is financially prosperous depends on the strength or weakness of their behavior or literacy toward digital finance. As a result, researchers are interested in examining the relationship between digital financial literacy and financial well-being using financial behavior as the indicator to be raised. The moderating variables are saving and spending behavior in the West Sumatra millennial generation.

THEORETICAL FRAMEWORK AND HYPOTHESES
Perceived Behavioral Control Theory

Perceived behavioral control theory explains that a person's commitment to taking action signals them to behave. It is the same as managing finances; with the intention or intention that is already in a person, then they can make good financial decisions. (Ajzen 2011)

The TPB theory was developed again in 2020, where several supporting things can explain the TPB theory more broadly to predict changes in behavior. Furthermore, it is also said that the development of this theory has resulted in much research using it, even by linking it to the use of technology. (Ajzen 2020)

Based on the elaboration of some of the previous studies above, it can be concluded that the TPB theory has become a very appropriate theory to use to measure a person's behavior, and the previous research above is proof that the TPB theory can be used to underlie research.

The concepts and definitions of financial literacy and digital literacy formed the basis for the creation of digital financial literacy. DFL is characterized as a synthesis of FL and DL, as well as fundamental financial literacy and numerical abilities (Lyons & Kass-Hanna, 2021). Until now, no theory underlies digital financial literacy. However, some studies have tried to use four measurement dimensions to explain this digital financial literacy. According to Morgan et al., (2019), there are four components that make up the idea of digital financial literacy: knowledge of consumer rights and compensation processes, understanding of digital financial products and services, awareness of the risks associated with those products and services, and knowledge of digital financial risk control (Morgan, Huang, and Trinh 2019).

Digital Financial Literacy and Financial Well-being

A person with good financial literacy is considered capable of managing and planning his finances well, which positively impa141cts a person's level of well-being. This is evidenced by

previous studies linking financial literacy with a number of matters related to financial well-being. Financial Well-being provides various benefits, including being able to work well without having to worry about retirement in the future, having good mental health, and providing a sense of security and comfort to individuals or families who have prepared it. (Niu et al., 2020). Someone with good financial literacy is considered capable of managing and planning finances well, which will impact good financial well-being. From this, a person's level of financial literacy will determine how well-prepared they are for the future.

Although prior research did not demonstrate a connection between digital financial literacy and financial well-being, it is still relevant. It can be used as a reference for this research because digital financial literacy has the same concept as ordinary financial literacy but is based digitally. As a result, the following is a hypothesis that is based on the assumption that digital financial literacy affects financial well-being:

H1: Digital financial literacy has a positive and significant effect on the financial well-being of the Millennial Generation in West Sumatra.

Financial Behavior and Financial Well-being

In financial well-being, knowledge of finance is a significant component. This also forms a perception that strengthens each individual to direct the individual to have awareness in having financial behavior and is an important component in forming financial well-being. (Wahyudi et.al, 2017)**.** The following are the results of earlier studies on the relationship between financial behavior and financial well-being: According to Arlinda (2022), financial behavior has a significant and positive impact that can mediate financial well-being. Aside from loan approval, research by Chavali et.al (2021) demonstrated that all other financial behaviors, including future orientation, saving and investing credit discipline, and financial awareness, significantly impact a person's financial well-being. The following hypothesis is therefore made, presuming that financial actions have a significant impact on the financial position:

H2: Saving Behavior has a significant influence on the financial well-being of people in West Sumatra.

A person with good financial literacy is considered capable of managing and planning his finances well, which has a good impact on a person's level of well-being. This is evidenced by previous research linking Financial Literacy with Financial well-being. This is supported by the claim made by Strömbäck et al. (2017) that one of the key factors influencing financial behavior and well-being is self-control. Financial literacy and financial well-being have a positive relationship, according to research by (Kamakia, Mwangi, and Mwangi 2017), but other factors like financial decisions and demographics still have an impact. According to Kamakia's research, people who are financially literate have better financial outcomes because they have more behavioral control over their finances. Adam et al., (2017) also stated that to achieve financial well-being, financial literacy is needed. Thus it is suspected that spending behavior also influences digital financial literacy, so the hypothesis is as follows:

H3: Significant financial Behavior as a moderator of the relationship between digital financial literacy and financial well-being in people in West Sumatra

Based on the hypothesis above, the research framework is presented as follows:

Figure 1
Research Framework
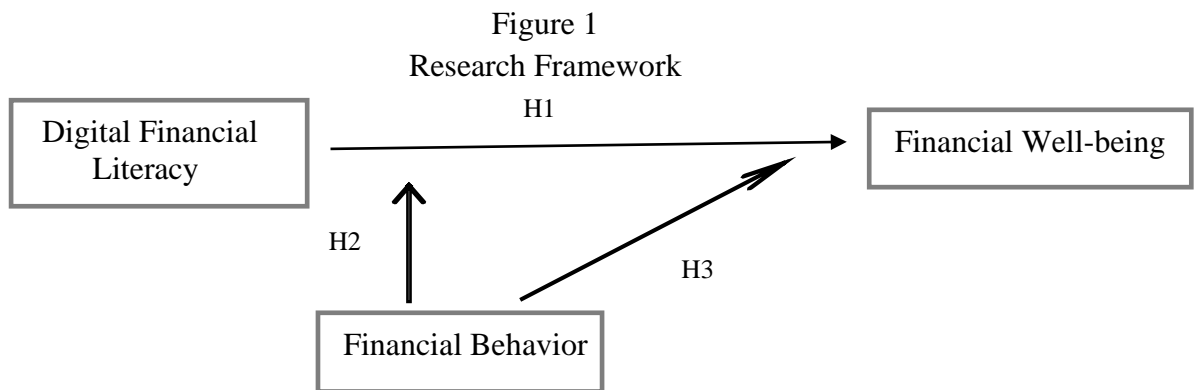
Source: Data processed by researchers (2022)

RESEARCH METHODS

According to BPS West Sumatra data for 2021, there are 5.53 million people in the population used in this study, which includes everyone in West Sumatra. The entire population of West Sumatra, which reaches 5.53 million people, consists of various groups, ranging from infants, children, and productive age, to the elderly. Out of the total population of 5.53 million people in W Sumatra, 68.65% were of productive age from the same source. The total population in this study was 3,796,345 people. This study used a quantitative method by collecting online questionnaire-based survey data conducted for a month from July 2022 to August 2022. The collected data were processed using the SPSS and Smart-PLS applications. This research belongs to the explanatory quantitative analysis with the survey method.

Research Variable

Several previous studies have tried to identify the factors that influence the level of digital financial literacy. Some of them found that socio-demographic factors such as gender, age, area of residence, education level, marital status, educational background, income level were factors that influenced the level of financial literacy (Setiawan et al., 2020). The measurement for the social-economic factor variable in this study is a question of the characteristics of the respondents. Each question indicator on this variable is given a different answer choice. The age indicator is given a choice of 4 age categories consisting of young (15-24 years), early worker (25-34 years), middle-age (35-44 years), and pre-retired and retired (45-63 years). Educational background indicators are given a choice of answers consisting of the respondent's education level, consisting of up to junior high school, senior high school, diploma (I, II, and III), Bachelor (S1)/Diploma IV, Postgraduate (S2), Doctor (S3), and others. The income indicator is the respondent's income or for those who have not worked it can also be an allowance from parents, this indicator is grouped into several categories, these are 10 million.

Table 1.
Variable Summary and Operational Definition

Variable	Definition	Dimention	Indicators and measurement
Digital Financial Literacy (Exogeneous Variable)	Digital financial literacy is defined as a combination of financial and digital literacy, including basic financial knowledge and basic digital skills.	(1) 5 questions which are knowledge of digital financial products and services (2) 2 questions are experience in using digital financial products and services (3) 1 question is awareness of digital financial risk, and 2 (4) 3 questions are skills in control and managing assets	Setiawan et al.,2020, Prasad et al., 2018 and Morgan et al. al., 2019 (11questions indicator
Financial Well-being (Endogenous Variable)	financial well-being is defined as an abstract concept used to explain the financial situation of individuals or families.	(1) 4 questions for the category that represent a person's level of financial feeling a (2) 3 question indicators for the category rthat epresents a person's reaction to their current state of financial well-being.	Prawitz, 2006 (7questions indicator)
Financial Behavior	Sejauh mana seseorang menganut agamanya keyakinan, nilai dan praktik yang diwujudkan dalam kehidupan	(1) 9 questions for knowledge about saving Behavior (2) 6 questions for knowledge about shopping behavior	Setiawan et al., 2020 (15 questions indicator)

Source: Data processed by researchers (2022)

Table 2.
Number of Research Questionnaires

Description	Total Questionnaires
Accepted questioners	215
Invalid questioners	0
Valid and can use questionnaires	215

Source: Data processed by researchers (2022)

RESULTS AND DISCUSSION
Results of the significant test and model test for the inner model construct:

Figure 2
Inner Model Construct
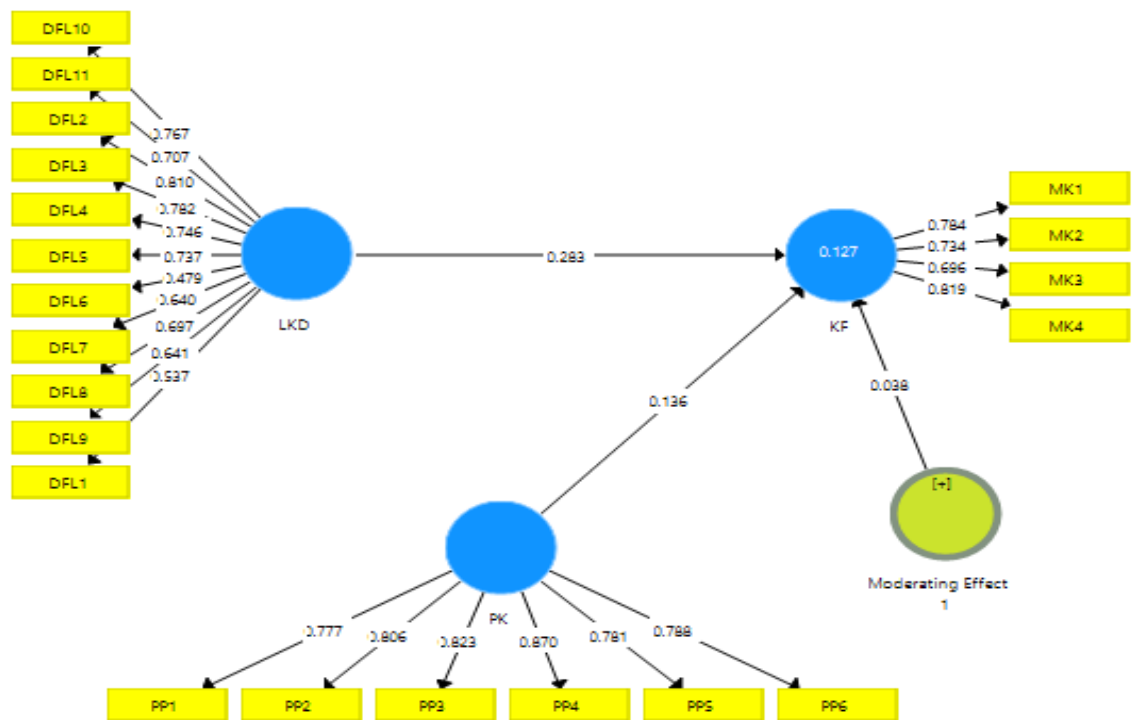
Source: Data processed by researchers (2022)

The inner model construction's test results image demonstrates that the dimension significantly affects the variables. Based on Figure 1, it can be seen that all of indicators have values above 0.5.This explains that indicator items whose values are below 0.5 are not appropriate to be used to measure variables. The indicator items with a value below 0.5 are not valid and removed from the analysis. After deleting and discarding the indicator items below 0.5, then the calculation is carried out again, the results show that all measurement items used are valid with a loading value > 0.5.

Table 3
Validity and Reliability Test

Variable	Indicators	Loading Factors>0.4	Composite Reliability	CronbachAlpha >0.6	AVE>0.5
Digital financial literacy	DFL1	0.537	0.909	0.889	0.522
	DFL2	0.810			
	DFL3	0.782			
	DFL4	0.746			
	DFL5	0.737			
	DFL6	0.479			
	DFL7	0.640			
	DFL8	0.697			
	DFL9	0.641			
	DFL10	0.767			
	DFL11	0.707			
Moderating Effect			1.000	1.000	1.000
Financial Well-being	FW1	0.784	0.845	0.755	0.577
	FW2	0.734			
	FW3	0.696			
	FW4	0.819			
Financial Behavior	FB1	0.777	0.918	0.894	0.653
	FB2	0.806			
	FB3	0.823			
	FB4	0.870			
	FB5	0.781			
	FB6	0.788			

Source: Data processed by researchers (2022)

The validity and reliability testing requirements are all satisfied, as shown in Table 3.To test convergent validation, apart from looking at the value of the loading factor, information on the AVE value is needed. AVE is declared valid if AVE>0.5 or above. All AVEs in this study are greater than 0.5 with each, Digital Financial Literacy (0.522), Financial Wellbeing (0.577), financial behavior (0.653), and moderating effect (1.000). In addition, the overall Composite Reliability obtained a value of >0.7. It can be conclude all variables are declared reliable. Based on testing by Cronbach's alpha, a good value is >0.7, but a reliable Cronbach's alpha ranges from 0.6-0.8 and is very reliable at 0.8-1.00. In the research obtained, it can be stated that all variables are valid and reliable. The results showed quite good results because in this study showed a value of more than 0.909 (DFL), 0.845 (Financial Wellbeing), and 0,918 (Financial behavior) in the very reliable category. Overall it can be stated that the evaluation of the feasibility of the measurement model (outer model) has been fulfilled, both the convergent validity test and the discriminant validity test.

Table 4
Hypothesis Testing

	Original Sample	T Statistics	P Values
DFL -> Financial Well-being	0.231	6.232	0.000
Financial behavior -> Financial Well-being	0.228	5.661	0.000
Moderating effect -> DFL-FW	0.338	5.096	0.000

Source: Data processed by researchers (2022)

Based on these results, it can be interpreted that the original sample 0.231 which means the positive effect. It indicated that the digital financial literacy has positive effect to financial well-being. On the significance test obtained result P-Value as much as 0.000 and the T- Statistical 6.232. It shown that digital financial literacy variable has significance effect because the value of P-Value <0.005 and the value of T-Statistical >1.96. Based the result of testing It can be concluded that the **hypothesis 1 is accepted**. Next is financial behavior. The factor shows a positive impact of 2.3% and is marked with a statistic of 5,661 and a p-value of 0.00. Based the result of testing It can be concluded that the **hypothesis 2 is accepted.** For the last point with financial behavior as moderating effect also has significant effect to relationship between digital financial literacy and financial wellbeing, so **hypothesis 3 is accepted**.

The results indicate that there is an influence of understanding digital financial literacy on financial wellbeing in the people of West Sumatra. This is important for designing the financial future of each of the people of West Sumatra, moreover the development of the digital, including finance. It can be concluded, a good level of digital financial literacy is needed to support good financial wellbeing. It is useful to be prepared for the financial future and financial disasters. These results are by several relevant studies such as research from Haque & Zulfiqar (2016); Kamakia et al (2017); and Phetkam et al (2019) which found a positive and significant relationship between digital financial literacy and financial well-being, although in this study there was another influence from other factors (financial behavior and financial attitude). Also several other related studies found the same results but not as strong as other variables such as family support and retirement (A. M. Adam et al, 2017). This topic is also researched by Smithikrai & Phetkham (2019) that financial literacy has a significant direct impact on financial wellbeing although have another direct impact that is self control. Even without the support of other factors that influence DFL on financial wellbeing, the results of this study still prove that there is a significant relationship between digital financial literacy and financial wellbeing.

CONCLUSIONS AND SUGGESTION

The conclusion of the analysis was the hypothesis that digital financial literacy has a positive and significant impact on financial performance. This hypothesis was accepted based on the findings of the entire series of analyses conducted.

The results show how understanding digital financial literacy affects people's financial well-being in West Sumatra. This is important for designing the economic future of each of the people of West Sumatra and digital development, including finance. Maintaining good financial well-being requires a high level of digital financial literacy.

Financial behavior and social welfare have a significant relationship in West Sumatra. The findings of this study suggest that West Sumatran people have the propensity to think that behavior is required to support a healthy economic level.

West Sumatran residents think that to improve their well-being, they must behave appropriately so they can later receive support from a knowledge of digital financial literacy. A provision for good financial health is to be better equipped to handle future financial and financial disasters. This demonstrates strong public awareness of the benefits of digital financial literacy for people's financial well-being.

Due to the shortcomings mentioned earlier, additional research is advised to examine the effects of other socioeconomic factors, such as gender, investment, work experience, educational background, etc., on the digital financial literacy of people in West Sumatra. It is possible to determine whether every factor has the potential to affect how well a society practices digital financial literacy. This can act as the foundation for a thorough and precise search. Furthermore, it would be preferable if future researchers focused on remote regions of West Sumatra that had not been examined in earlier research.

REFERENCES

Adam, Anokye Mohammed, Siaw Frimpong, And Mavis Opoku Boadu. 2017. "Financial Literacy And Financial Planning: Implication For Financial Well-Being Of Retirees." *Business And Economic Horizons* 13 (2): 224–36. Https://Doi.Org/10.15208/Beh.2017.17.

Ajzen, Icek. 2011. "The Theory Of Planned Behaviour: Reactions And Reflections." *Psychology And Health* 26 (9): 1113–27. Https://Doi.Org/10.1080/08870446.2011.613995.

Ajzen, Icek. 2020. "The Theory Of Planned Behavior: Frequently Asked Questions." *Human Behavior And Emerging Technologies* 2 (4): 314–24. Https://Doi.Org/10.1002/Hbe2.195.

Arlinda, Nuning. 2022. "Pengaruh Pengetahuan Keuangan Dan Jumlah Tanggungan Terhadap Kesejahteraan Keuangan Dengan Perilaku Pengelolaan Keuangan Sebagai Mediasi." *Manajemen Dan Akuntansi*, 1. Http://Eprints.Perbanas.Ac.Id/9478/49/Artikel Ilmiah.Pdf.

Chavali, Kavita, Prasanna Mohan Raj, And Riyaz Ahmed. 2021. "Does Financial Behavior Influence Financial Well-Being?" *Journal Of Asian Finance, Economics And Business* 8 (2): 273–80. Https://Doi.Org/10.13106/Jafeb.2021.Vol8.No2.0273.

Kamakia, Margaret Gatuiri, Cyrus Iraya Mwangi, And Mirie Mwangi. 2017. "Financial Literacy And Financial Wellbeing Of Public Sector Employees: A Critical Literature Review." *European Scientific Journal, Esj* 13 (16): 233. Https://Doi.Org/10.19044/Esj.2017.V13n16p233.

Keuangan, Otoritas Jasa. 2017. "Strategi Nasional Literasi Keuangan Indonesia." *Jakarta: Otoritas Jasa Keuangan*.

Lyons, Angela C., And Josephine Kass-Hanna. 2021. "A Methodological Overview To Defining And Measuring 'Digital' Financial Literacy." *Financial Planning Review* 4 (2). Https://Doi.Org/10.1002/Cfp2.1113.

Morgan, Peter J., Bihong Huang, And Long Q Trinh. 2019. "The Need To Promote Digital Financial Literacy For The Digital Age." *The 2019 G20 Osaka Summit, Japan: The Future Of Work And Education For The Digital Age*, No. August: 40–46.

Morgan, Peter J, And Long Q Trinh. 2019. "Fintech And Financial Literacy In The Lao Pdr." Https://Www.Adb.Org/Publications/Fintech-And-Financial-Literacy-Lao-Pdr.

Niu, Geng, Yang Zhou, And Hongwu Gan. 2020. "Financial Literacy And Retirement Preparation In China." *Pacific Basin Finance Journal* 59 (May 2019): 101262. Https://Doi.Org/10.1016/J.Pacfin.2020.101262.

Prasad, Hanuman, Devendra Meghwal, And Vijay Dayama. 2018. "Digital Financial Literacy: A Study Of Households Of Udaipur." *The Journal Of Business And Management*. Vol. 23.

Prawitz, Dag. 2006. *Natural Deduction: A Proof-Theoretical Study*. Courier Dover Publications.

"Prosiding_Festival_Riset_Akuntansi_2017.Pdf." N.D.

Setiawan, Maman, Nury Effendi, Teguh Santoso, Vera Intanie Dewi, And Militcyano Samuel Sapulette. 2020. "Digital Financial Literacy, Current Behavior Of Saving And Spending And Its Future Foresight." *Economics Of Innovation And New Technology* 0 (0): 1–19. Https://Doi.Org/10.1080/10438599.2020.1799142.

Winarto, Wahid Wachyu Adi. 2020. "Peran Fintech Dalam Usaha Mikro Kecil Dan Menengah (UMKM)." *Jesya (Jurnal Ekonomi & Ekonomi Syariah)* 3 (1): 61–73. Https://Doi.Org/10.36778/Jesya.V3i1.132.

THE INFLUENCE OF POLITICAL CONNECTIONS AND CAPITAL INTENSITY RATIO ON EFFECTIVE TAX RATE: MODERATED BY PROFITABILITY

Fanneisa Fresti Wulandari[1] dan Lutfi Ardhani[2]
Faculty of Economics, Islamic State University Of Maulana Malik Ibrahim Malang[1,2]

ARTICLE INFO	ABSTRACT
  Correspondence: Fanneisa Fresti Wulandari fanneisafw@gmail.com	*The objective of the research was to determine dan analyze the influence of political connection dan capital intensity ratio on effective tax rate as a moderating variable on profitability. The research method used is a quantitative method with sampling using purposive sampling. The research sample is 72 mining sector company data listed on the Indonesia Stock Exchange for the 2018-2021 period. The research analysis uses path analysis with the help of the SEM-PLS 3.3 application The results of the study show that political connections affect the effective tax rate. The capital intensity ratio does not affect the effective tax rate. While profitability can moderate political connections and profitability are not able to moderate the capital intensity ratio on the effective tax rate. This research is expected to contribute to providing input dan an overview regarding tax avoidance so that it can help stakeholders such as the government to make decisions dan policies on tax regulations that will be applied.*

INTRODUCTION

Indonesia as one of the developing countries in the world is trying to carry out development in several fields. One area of focus for improvement is the economic sector. Tax collection is one of the ways that the state can collect funds to support the community development process. Based on data from the Central Bureau of Statistics, it is known that the average tax revenue in Indonesia from 2017 to 2021 is 78.92%. This makes domestic tax revenue the largest contributor to state revenue. In 2021, for the first time, Indonesia will receive taxes exceeding the estimated target. During economic recovery after the COVID-19 pandemic, Indonesia obtained a net tax realization of Rp. 1,277.5 trillion from the targeted state budget tax revenue of Rp. 1,229.6 trillion.

Table 1
Target and Realization of State Tax Revenue for 2017-2021

Year	Target (trillion)	Realization (trillion)	Percentage (%)
2017	1.472,7	1.343,5	91,2
2018	1.618,0	1.518,7	93,8
2019	1.786,3	1.546,1	86,5
2020	1.404,5	1.285,1	91,5
2021	1.229,6	1.277,5	103,9

Source: DGT performance report data 2022

One of the government's efforts to increase tax revenues is by providing tax facilities by adjusting the income tax rate that applies to domestic companies and permanent establishments (BUT). Based on Law Number 7 of 2021 Article 17 stipulates that the rate for Corporate PPH and BUT is 22%, while public companies whose share ownership is not less than 40% has been paid up and sold on the IDX can use the 3% rate reduction facility from the general corporate mandatory PPH, namely becoming 19% (Octavia and Sari, 2022). The government's efforts in optimizing tax revenues are not without constraints, changes in tax rates from the government have not been able to provide satisfaction for companies. This raises the company's efforts in tax management.

150

The government needs tax revenue funds to remain stable to ensure the country's development plans, while companies view paying taxes as an unprofitable expenditure (Farouq, 2018). One way that companies can do to maximize profits is to minimize the tax burden that must be paid (Amri, 2017). Companies carry out various alternatives so that tax matters can be managed properly and provide the company's maximum contribution before making tax payments. Generally, measurement in tax planning is to use the effective tax rate because it can influence companies in making decisions as well as aspects regarding the company's tax system (Subiyanto, 2021). Political connections, capital intensity ratio, and profitability are some of the factors that influence the effective tax rate.

(Kim, and Zhang, 2016) suggest that political connections can protect companies from detection risk and minimize costs arising from aggressive tax avoidance. Seeing that business and politics are related, political aspects are considered to have a large role in making tax management decisions (Utari and Supadmi, 2017). The capital intensity ratio factor is used by companies as a material consideration in increasing costs incurred by reducing income through asset depreciation items. Thus, the larger the company's fixed assets, the smaller the profit earned due to the depreciation expense item on fixed assets which reduces profits. Research (Purwanti and Sugiyarti, 2017); and (Christina and Marlinah, 2020) confirms that the effective tax rate is influenced by the capital intensity ratio.

The profitability factor shows the company's ability to earn profits from the company's operations (Ardyansah, and Zulaikha, 2014). The return on assets (ROA) indicator is used by companies to measure the effectiveness of management in managing its investments so that it can be seen how much profit is generated from the total assets owned by the company. Research (by Fitiasari and Suwandi, 2020) and (Rahmadani et al., 2020) show the result that the higher the ROA value, the lower the effective tax rate. The research object used is mining sector companies for the 2018-2021 period. The use of mining companies because in 2021 based on reports from the Ministry of Finance experienced the highest growth rate of other sectors at 59.1% with a total of Rp. 111.5 trillion, which experienced an increase in tax realization of up to Rp. 42 trillion from 2020 (Setyawan, 2021). This is supported by the presentation from the Minister of Finance, Mrs. Sri Mulyani, in 2021 that the increase in the mining sector was due to a significant increase in natural resource commodity prices, such as the price of petroleum, and soaring coal prices (Suwiknyo, 2022). The difference between this research and other research is the use of the profitability factor as a moderating variable to strengthen the effect of the independent variable on the dependent variable in the mining sector for the 2018-2021 period which has been listed on the Indonesia Stock Exchange. Based on the phenomena that have been described and several differences in the results of research that has been done before, the purpose of this study is to determine the effect of political connections and capital intensity ratio on the effective tax rate which is moderated by profitability.

THEORETICAL FRAMEWORK AND HYPOTHESES
Agency Theory

Agency theory describes the relationship between the principal as the owner and the agent as the management of a company (Taufiqurokhman, 2018). Agency relationships arise because of information problems (information asymmetry) between managers and agents, namely investors or shareholders, creditors, and the government. Agency theory assumes that each party has different goals and interests, in which in achieving these goals each party will make alternatives to maximize personal interests compared to group interests (Anis, 2013). The relevance to this theory is the existence of information asymmetry between managers and the government, where managers tend to apply policies in tax management with the aim that companies are subject to lower taxes while the government wants maximum tax revenue. Companies with political connections will affect the political costs incurred by the company, so the company will pay lower taxes. Meanwhile,

companies with high fixed assets can allocate depreciation costs for fixed assets so that the taxes incurred will also be lower.

Tax

(Mardiasmo, 2018) states that taxes are mandatory contributions that must be paid by the people to the state based on the law by not getting compensation directly and used to pay public expenses. Taxes have inherent characteristics, namely a) Taxes are collected based on laws and implementing regulations; b) Tax payments are not indicated by the government as individual counter-achievement; c) Taxes are collected by the state, both central and regional governments; d) Taxes are earmarked for government expenses (Resmi, 2017).

Effective Tax Rate

Effective Tax Rate (ETR) is the application of the effectiveness of a company in managing the tax burden it bears by making a comparison between the tax burden and total net income. The lower the ETR percentage, the better the company's performance in managing its tax effectiveness (Ambarukmi and Diana, 2017). (Vintilă. et al, 2018)argue that ETR can indirectly measure a company's contribution to the government budget from company revenue because ETR can measure the overall corporate tax burden retrospectively so that it can provide information in the formation of corporate tax policies and evaluate the fairness of the tax system.

Political Connections

Political connections are relationships between certain parties and parties who have an interest in politics that are used to achieve certain things to benefit both parties (Purwanti and Sugiyarti, 2017). This political connection relationship provides several advantages for the company, including: a) The company will get political protection connected so that the risk of corporate tax avoidance is low; b) The company receives information on changes in tax regulations in the future; c) Companies experience lower pressure from the capital market in carrying out transparency which has the potential to reduce political costs in this case, related to tax evasion; d) Companies have easier access to the government (Kim, and Zhang, 2016). Measurements were carried out using the help of dummy variables where these variables are artificial variables used to quantify qualitative variables by assigning code 1 to companies that match the research indicators, while code 0 is given to companies that do not match company indicators (Purwanti & Sugiyarti, 2017).

Capital Intensity Ratio (CIR)

The Capital Intensity Ratio shows the efficiency level of a company in using assets to generate sales (Nejad and Hoseinzade, 2021). (Purwanti and Sugiyarti, 2017) stated that the percentage of fixed assets has a post for the company to add to the burden, namely the depreciation expense that arises due to the fixed assets owned as a deduction from income. The higher the percentage of fixed assets, the lower the profit generated, due to the emergence of fixed asset depreciation expenses which reduce profits. This can reduce the amount of tax paid by the company.

Profitability

Profitability is a ratio that describes a company's ability to earn profits during an accounting period and measures the level of operational efficiency in using its assets. Obtaining large profits is the goal of all companies, so this requires companies to increase their profitability (Mawaddah, 2015). The return on assets (ROA) measurement indicator is used in this study because this ratio is considered capable of measuring a company's ability to generate profits with all investment funds in assets for the company's operations. The higher the ROA value, the higher the company's profitability. Whereas companies that have a high profitability value and a lower fiscal loss compensation value will show a high effective tax rate value (Sari, 2018).

The Effect of Political Connection on the Effective Tax Rate

Special treatment received by companies such as ease of obtaining capital loans, and low audit risk makes companies not afraid of tax evasion. Research conducted by (Khoirunnisa Asadanie and Venusita, 2020) and (Sahrir et al., 2021) shows that political connections affect the effective tax rate. Contrary to research conducted by (Nejad and Hoseinzade, 2021) and (Sawitri et al., 2022) the results show that political connections do not affect the effective tax rate. Based on the research that has been done before, a hypothesis can be drawn:

H1: Political connections affect the effective tax rate

The Effect of Capital Intensity Ratio (CIR) on the Effective Tax Rate

Not including the company's depreciation expense in the financial statements as a whole prevents the company from stopping the recognition of fixed assets whose economic benefits have expired to be recognized as depreciation expense. Research (Purwanti and Sugiyarti, 2017) and (Christina and Marlinah, 2020) explain that the capital intensity ratio affects the effective tax rate. Contrary to the research conducted (Ariani and Hasymi, 2018) and (Ambarukmi and Diana, 2017). Based on the research that has been done before, a hypothesis can be drawn:

H2: Capital intensity ratio (CIR) affects the effective tax rate

The Effect of Political Connection on Effective Tax Rate Moderated By Profitability

Companies will earn higher profits if they carry out political connections because this is a determinant of state institutions. This encourages companies that have close political connections to affect performance within the company. Companies can minimize political costs in the form of tax burdens with political connections owned by companies, thus giving rise to benefits and convenience for a company. The results of the research conducted (Fitiasari and Suwandi, 2020) state that political connections can moderate the effect on the effective tax rate. So that the hypothesis can be predicted and drawn, namely:

H3 : Profitability can moderate political connections to the effective tax rate

The Effect of Capital Intensity Ratio (CIR) on Effective Tax Rate Moderated By Profitability

Capital Intensity Ratio is a company investment activity related to fixed assets carried out by creditors, company owners, and company management (Purnama and Daljono, 2013). The existence of profitability as measured by the company's ROA is higher, and the higher the level of tax planning to reduce the tax burden that must be paid by the company, by investing company profits into fixed assets is one way of tax planning. Research conducted by (Astuty and Sari, 2022) states that profitability moderates the capital intensity ratio to the effective tax rate. So that the hypothesis can be predicted and drawn, namely:

H4 : Profitability can moderate the capital intensity ratio to the effective tax rate.

Based on the framework described, the conceptual chart of this research framework is illustrated in Figure 1.

Figure 1.
Conceptual Framework
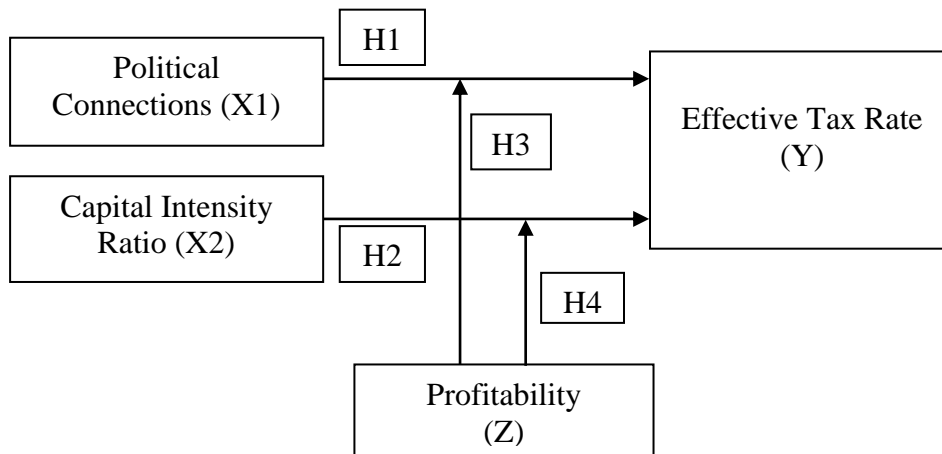
Source: Proceeded Data (2023)

RESEARCH METHODS

The type of research being conducted is quantitative research with the object of research on financial reports and annual reports of mining companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period. The sample collection technique used purposive sampling with a population of 76 mining companies. The sample used is 72 sample data from 18 selected mining companies. Purposive sampling is a technique used by determining certain criteria to obtain samples (Priyono, 2016). The following are the specified sampling criteria, namely:

1. Mining companies listed on the IDX
2. Mining companies that present consecutive financial reports from 2018-2021
3. Mining companies that have consecutive profits from 2018-2021
4. Mining companies that present financial reports in dollars

The type of data used in this study is secondary data obtained through the Indonesian Stock Exchange receipt website. The data collection technique uses the documentation method with data analysis techniques through SEM (Structural Equation Modeling) with a partial least squares (PLS) approach to solve multiple regression and moderation models when there are data problems such as data that are not normally distributed, missing data and sample size small ones (Abdillah, 2016). The variables analyzed in this study have the following operational definitions:

154

Table 2
Definition and Variable Operationalize

No	Variable	Indicator	Scale
Independent Variable (X)			
1.	Political Connections (X1)	1) Using aspects of political ownership owned by independent commissioners 2) Independent commissioners who have concurrent positions as politically affiliated with political parties, concurrent positions as government officials, concurrent positions as military, and former government officials or former military officials. (Purwanti dan Sugiyarti, 2017)	Ratio
2.	Capital Intensity Ratio (X2)	1) Total fixed assets 2) Total assets (Ambarukmi dan Diana, 2017)	Ratio
Dependent Variable (Y)			
3.	Effective Tax Rate (Y)	1) Tax expense 2) Profit before tax (Sahrir et al., 2021)	Ratio
Moderated Variable (Z)			
4.	Profitability (Z)	1) Profit before tax 2) Total assets (Kasmir, 2017)	Ratio

Source: Proceeded Data (2023)

RESULTS AND DISCUSSION
Descriptive Statistics

Descriptive statistics are tests that are used to provide an overview of data in research which can be seen through the minimum value, maximum value, mean value, and standard deviation value of each variable (Ghozali, 2018).

Table 3
Descriptive Statistik

	N	Minimum	Maximum	Mean	Standard Deviation
Political Connections	72	,000	1,000	,722	,451
Capital Intensity Ratio	72	,031	,930	,376	,286
Effective Tax Rate	72	,060	,830	,265	,161
Profitability	72	,000	,670	,144	,154
Valid N (listwise)	72				

Source: Proceeded Data (2023)

Based on the table above, the minimum value for political connections is 0, while the maximum value for this variable is 1. The average value of the standard deviation (0.722 > 0.451) indicates that the data distribution is relatively small, so it can be said that there is no data deviation in the political connection variable. It is known that the minimum capital intensity ratio value was 0.031 while the maximum value obtained was 0.930. The magnitude of the average value of the standard deviation (0.376 > 0.286) indicates that the data distribution is relatively small so it can be said that there is no data deviation in the capital intensity ratio variable.

The minimum value for the effective tax rate variable is 0.060 while the maximum value is 0.830. The magnitude of the average value of the standard deviation (0.265 > 0.161) indicates that the data distribution is relatively small so it can be said that there is no data deviation in the effective tax rate variable. maximum of 0.670. The magnitude of the standard deviation with an average value (0.144 < 0.154) indicates that there is a large distribution of data so it can be said that there is a high data deviation in the profitability variable.

Partial Least Square (PLS) Analysis
OuterModel

The criteria used in the use of data analysis techniques with SmartPLS 3.0 are convergent validity, discriminant validity, and composite reliability. The following is a PLS path scheme (structural model) in this study:

Figure 2.
OuterModel
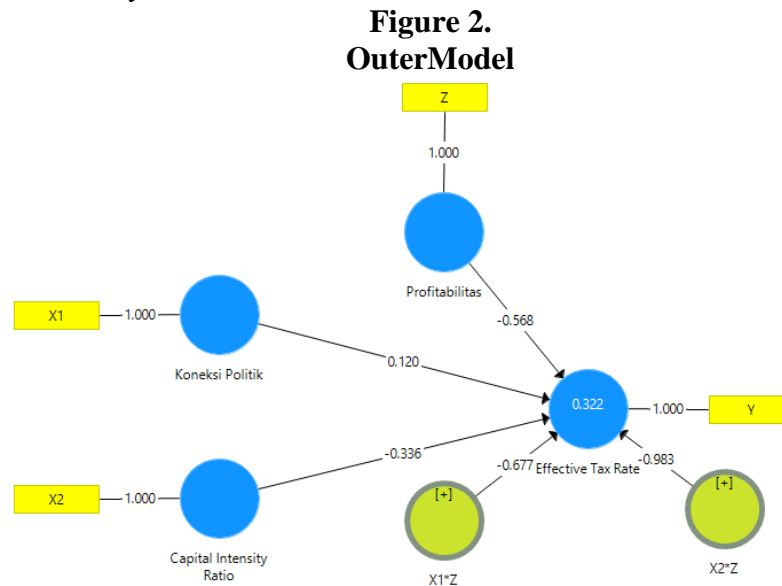
Source: Proceeded Data (2023)

Convergent Validity

Convergent validity is carried out to see whether the selected measurement indicators can represent a variable and underlie that variable (Ghozali, Imam dan Latan, 2015). The individual reflection measure is said to be high if it correlates more than 0.7 with the construct being measured. This study uses the outer loading limits of each indicator for the research variables:

Table 4.
Outer Loading

Variable	Outer Loading
Political Connections	1,000
CIR	1,000
Effective Tax Rate	1,000
Profitability	1,000
Political Connections * Profitability	0,716
CIR * Profitability	0,767

Source: Proceeded Data (2023)

Discriminant Validity

Discriminant validity is carried out to ensure that each concept and variable of each model is different from other variables. Discriminant validity measurements were also carried out to find out how precisely the measurement indicators were used to function properly on research variables (Ghozali, Imam dan Latan, 2015).

156

Table 5.
Cross Loading Value

	X1 Political Connection	X2 CIR	Y Effective Tax Rate	Z Profitability	X1 * Z Political Connection * Profitability	X2 * Z CIR * Profitability
PC	1,000	-0,131	0,233	0,312	-0,433	-0,049
CIR	-0,131	1,000	0,171	-0,430	-0,052	-0,336
ETR	0,233	0,171	1,000	-0,231	-0,387	-0,044
ROA	0,312	-0,430	-0,231	1,000	0,548	-0,559
PC * ROA	-0,433	-0,052	-0,387	0,548	1,000	-0,588
CIR * ROA	-0,049	-0,336	-0,044	-0,559	-0,548	1,000

Source: Proceeded Data (2023)

Based on the table above, it can be seen that the cross-loading value for each indicator of each variable does not have the greatest value of the loading value when associated with other variables. This means that each variable has good discriminant validity and does not have a gauge that is highly correlated with other constructs.

Composite Reliability

Composite reliability is used to assess how consistent the indicators used are with the research variables. These criteria can be fulfilled by looking at the Average Variance Extracted (AVE) value of more than 0.5 or using Cronbach Alpha of more than 0.7 and the composite reliability value must be more than 0.7 (Ghozali, Imam dan Latan, 2015).

Table 6.
Composite Reliability Results

Variable	Cronbach's Alpha	Composite Reliability	AVE
Political Connection	1,000	1,000	1,000
CIR	1,000	1,000	1,000
Effective Tax Rate	1,000	1,000	1,000
Political Connection* Profitability	1,000	1,000	1,000
CIR * Profitability	1,000	1,000	1,000

Source: Proceeded Data (2023)

Based on Table 6, it is known that all the variables used in the study have met composite reliability. This shows that the variables used have a high level of reliability (Ghozali, Imam dan Latan, 2015)

Formative Measurement Model Test

Table 7.
VIF Test Results

Variable	VIF
Political Connection	1,000
CIR	1,000
Effective Tax Rate	1,000
Political Connection* Profitability	1,000
CIR * Profitability	1,000

Source: Proceeded Data (2023)

This test is to test multicollinearity in knowing the relationship between indicators by looking at the Variance Inflation Factor (VIF) value which is less than 3.3 for all variable indicators. Based on the table above, it is known that all indicators of each variable have a value of less than 3.3.

InnerModel

Evaluate the inner model to test and see the specific relationship between later variables, where this relationship can describe the relationship between latent variables and substantive research theories (Ghozali, Imam dan Latan, 2015).

R-Square

Table 8.
R-Square

Variable	R-Square	Adjusted R-Square
Effective Tax Rate	0,322	0,271

Source: Proceeded Data (2023)

R-Square is used for each endogenous latent variable as a prediction from the structural model studied. If the R-Square has a value of 0.19 to 0.33 it can be said to be weak, for a value of 0.34 to 0.67 it can be said to be moderate, and it is said to be strong if the R-Square value is more than 0.68 (Ghozali, Imam dan Latan, 2015). Based on the table above shows the R-Square value of 0.322, this means that the 32.2% effective tax rate is influenced by the independent variables in the study, while 67.8% is influenced by other variables not examined.

Hypothesis testing

Testing this hypothesis uses the bootstrapping method where hypothesis testing is accepted if the T statistic value is > 1.64 and the p-value is < 0.05 (Abdillah, 2016). Following are the results of hypothesis testing from the SEM-PLS 3.0 application that has been carried out:

Table 9.
Hypothesis Test Results

	Hypothesis	T Statistic	P Values
H1	X1 → Y	3,514	0,000
H2	X2 → Y	1,670	0,095
H3	X1*Z → Y	3,266	0,001
H4	X2*Z → Y	0,887	0,375

Source: Proceeded Data (2023)

Based on the results of the hypothesis testing that has been done, it can be seen that H1 has a statistical T value of more than 1.64 (3.514 > 1.64) and a p-value of less than 0.05 (0.000 < 0.005) this means that H1 is accepted. H2 in this study is known to have a statistical t-value of less than 1.64 (1.670 >1.64) and a p-value of more than 0.05 (0.095 > 0.05) so it can be concluded that H2 is rejected. H3 has a t-statistic value of more than 1.64 (3.266 > 1.64) and a p-value of less than 0.05 (0.000 < 0.001) it can be concluded that H3 is accepted, whereas in H4 it is known that the t statistic value is less than 1.64 (0.887 < 1.64) and p-values of more than 0.05 (0.375 > 0.05) it can be concluded that H4 is rejected.

The Influence of political connections on the effective tax rate

The results of the analysis test prove that H1 is accepted, so it can be concluded that political connections affect the effective tax rate. There is a special relationship between the company and the government which is not regulated in the tax law regarding whether or not a higher or lower tax rate is permissible. Companies can take advantage of this political closeness relationship to provide operational convenience such as reducing tax sanctions and facilitating mining permits, so that this

political connection becomes a challenge for the government as tax enforcer. It was further explained that connected companies have lower tax costs and lower pressure on companies. Research (Wahab. et.al, 2017) explains that there are public observations of political behavior because there may be different characters from other countries. Offensive issues will cost the company and attract public attention. The closeness of the company's relationship makes it more prudent to make decisions so that it gets public appreciation as a compliant company and enhances its good image. The company's bad image will have an impact on decreasing trust and resulting in losses, so the company will continue to think about the long-term risks that this political connection has. The results of this study are in line with those (Manihuruk and Novita, 2022); and (Khoirunnisa Asadanie and Venusita, 2020).

Effect of capital intensity ratio on the effective tax rate

The second hypothesis proves that it is rejected, so it can be concluded that the capital intensity ratio (CIR) does not affect the effective tax rate. This is because companies with large fixed assets will also have a large depreciation expense which will reduce the profit earned and will reduce the company's tax burden. The mining sector listed on the Indonesia Stock Exchange in 2018-2021 has a larger proportion of current assets than its fixed assets. This can be seen from the increase in current assets from the previous year. In addition, based on Government Regulation of the Republic of Indonesia Number 52 of 2011 concerning income tax facilities for investment in certain business fields, article 2 paragraph 2b states that the mining sector has a high probability of obtaining accelerated depreciation and amortization facilities so that tax management cannot be carried out by companies to reduce tax payments. The research results are in line with (Putri, 2018); (Christina and Marlinah, 2020); and (Ariani and Hasymi, 2018).

Profitability strengthens the influence of political connections on the effective tax rate

The results of testing the third hypothesis are accepted, so it can be concluded that profitability strengthens the influence of political connections on the effective tax rate. Based on the theory of political cost hypothesis explaining the reason companies choose accounting policies is to minimize the income tax burden, so companies take tax management actions (Kim, and Zhang, 2016). The low possibility of inspection and reduction of tax sanctions makes companies use their privileges. Companies that have political connections are faster and can enjoy high income so the company's productivity will increase. The results of this study are in line with those (Fitiasari and Suwandi, 2020); (Suwarno. et.al, 2020); and (Megawati, 2021).

Profitability strengthens the influence of the capital intensity ratio on the effective tax rate

Based on the results of testing the data above, it can be seen that the fourth hypothesis is rejected, so it is concluded that profitability is not able to strengthen the influence of the capital intensity ratio on the effective tax rate. High profitability is due to the company's funding sources in carrying out operations using fixed assets. Large companies generally make policies that are by tax regulations, so that they will not cause fiscal corrections and the government will not raise suspicions. This makes the high or low of fixed assets does not affect the high or low of the effective tax rate. This study produces findings that are not by agency theory, where companies will take advantage of their fixed asset gaps for tax avoidance. The results of this study are by stakeholder theory which assumes that companies need government support to regulate company operations, while the government requires optimal taxes for the country's economic development. The existence of aligned interests makes companies comply with government regulations, one of which is by complying with applicable tax rules. The results of this study are in line with (Wahyuni and Prastiwi, 2020) and (Rianto and Muhamad Alfian, 2022).
.

CONCLUSION AND SUGGESTION

Based on the results of the research and discussion that has been described regarding the effect of political connections and the capital intensity ratio on the effective tax rate moderated by profitability carried out in mining sector companies listed on the IDX for the 2018-2021 period, it can be concluded that political connections affect the effective tax rate. This is because the special relationship they have makes it easier for companies to reduce tax sanctions and facilitate the ease of mining permits. The capital intensity ratio variable does not affect the effective tax rate because the mining sector has the possibility of faster amortization facilities and depreciation and current assets owned by companies are more than fixed assets so there is no tax management loophole. The profitability variable as a moderator strengthens the influence of political connections on the effective tax rate. Meanwhile, on the effect of the capital intensity ratio on the effective tax rate, the profitability variable weakens the relationship.

Based on the results of research on the mining sector listed on the Indonesia Stock Exchange, the authors submit several suggestions to users of financial statements, especially to the government. The government must pay attention to company information as a whole whether the company has outside branches or not to avoid tax management. The government should consider giving gifts to companies that comply with paying taxes and be stricter on the sanctions for companies that do tax evasion. Companies should evaluate and improve company performance by applicable tax rules so that people feel the welfare of increasing the economy by paying taxes indirectly and investors will have more confidence to invest their capital.

This study has limitations that can be taken into consideration for further research so that the results obtained will be better in the future. Based on the results of the research that has been done, the authors propose several suggestions for further research development, namely by examining the effect of the effective tax rate on other factors such as independent commissioners, audit committees, leverage, company size, and others. In addition, using objects other than mining to find out the same or different effects. Future studies can also use intervening variables to determine the effect of different relationships and results.

REFERENCES

Abdillah, W. dan J. H. (2016). *Partial Least Square (PLS): Alternatif Structural Equation Modeling (SEM) dalam Penelitian Bisnis.* Andi.

Ambarukmi, K. T., & Diana, N. (2017). Pengaruh Size, Leverage, Profitability, Capital Inttensity Ratio Dan Activity Ratio Terhadap Effective Tax Rate (ETR) (Studi Empiris Pada Perusahaan LQ-45 Yang Terdaftar Di BEI Selama Periode 2011- 2015). *Jurnal Ilmiah Riset Akuntansi*, *6*(17), 13–26.

Amri, M. (2017). Pengaruh Kompensasi Manajemen Terhadap Penghindaran Pajak Dengan Moderasi Diversifikasi Gender Direksi Dan Preferensi Risiko Eksekutif Perusahaan Di Indonesia. *Jurnal ASET (Akuntansi Riset)*, *9*(1), 1. https://doi.org/10.17509/jaset.v9i1.5253

Anis, C. dan I. G. (2013). *Teori Akuntansi*. Universitas Diponegoro.

Ardyansah, D., & Zulaikha, Z. (2014). Pengaruh Size, Leverage, Profitability, Capital Intensity Ratio, dan Komisaris Independen Terhadap Effective Tax Rate (ETR). *Diponegoro Journal of Accounting*, *3*(2), 371–379.

Ariani, M., & Hasymi, M. (2018). Pengaruh Profitabilitas, Likuiditas, Leverage, Size, dan Capital Intensity Ratio terhadap Effective Tax Rate (ETR). *Komunikasi Ilmiah Akuntansi Dan Perpajakan*, *11*(3), 452–463.

Astuty, W., & Sari, E. N. (2022). Faktor-Faktor Yang Mempengaruhi Penghindaran Pajak (Tax Avoidance) Dengan Profitabilitas Sebagai Variabel Moderating Pada Perusahaan Sektor Perkebunan Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Ilmiah Magister Manajemen*, *5*(2), 127–143. https://doi.org/http://dx.doi.org/10.30596%2Fmaneggio.v5i2.11681

Christina, M., & Marlinah, A. (2020). Faktor-Faktor yang Mempengaruhi Effective Tax Rate

Terhadap Perusahaan Manufaktur di BEI. *Jurnal Ekonomi*, 1–10.

Farouq, M. (2018). *Hukum Pajak di Indonesia: Suatu Pengantar Ilmu Hukum* (1st ed.). Kencana.

Fitiasari, Y., & Suwandi. (2020). Peran Koneksi Politik Memperkuat Hubungan Profitabilitas Terhadap Penghindaran Pajak. *Journal of Islamic Accounting and Tax*, *3*(28), 17–35.

Ghozali, Imam dan Latan, H. (2015). *Konsep, Teknik, Aplikasi Menggunakan Smart PLS 3.0 Untuk Penelitian Empiris* (Edisi Kedu). Universitas Diponegoro.

Ghozali, I. (2018). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 25* (Sembilan). Badan Penerbit Universitas Diponegoro.

Khoirunnisa Asadanie, N., & Venusita, L. (2020). Pengaruh Koneksi Politik terhadap Penghindaran Pajak. *Inventory: Jurnal Akuntansi*, *4*(1), 14. https://doi.org/10.25273/inventory.v4i1.6296

Kim, C., & Zhang, L. (2016). Corporate Political Connections and Tax Aggressiveness. *Contemporary Accounting Research*, *33*, 78–114. https://doi.org/https://doi.org/10.1111/1911-3846.12150

Manihuruk, B. P., & Novita, S. (2022). Penghindaran Pajak: Pengaruh Koneksi Politik dan Kepemilikan Institusional. *Owner*, *7*(1), 391–400. https://doi.org/10.33395/owner.v7i1.1285

Mardiasmo. (2018). *Perpajakan, Edisi Revisi Tahun 2018*. Andi.

Mawaddah, N. (2015). Faktor-Faktor yang Mempengaruhi Profitabilitas Bank Syariah. *Jurnal Etikonomi*, *14*(2), 241–256.

Megawati, H. (2021). Good Corporate Governance Dan Kinerja Keuangan. *Media Akuntansi Dan Perpajakan Indonesia*, *2*(2), 139–160. https://doi.org/10.37715/mapi.v2i2.1724

Nejad, A. E., & Hoseinzade, S. (2021). Pengaruh Koneksi Politik dan Capital Intensty Terhadap Agresifitas Pajak. *Global Finance Journal*, *50*(1), 41–53.

Octavia, T. R., & Sari, D. P. (2022). Pengaruh Manajemen Laba, Leverage Dan Fasilitas Penurunan Tarif Pajak Penghasilan Terhadap Penghindaran Pajak. *Jurnal Pajak Dan Keuangan Negara (PKN)*, *4*(1), 72–82. https://doi.org/10.31092/jpkn.v4i1.1717

Priyono. (2016). *Metode Penelitian Kuantitatif*. Zifatama Publishing.

Purnama, H. W., & Daljono. (2013). Pengaruh Ukuran Perusahaan, Rasio Leverage, Intensitas Modal, dan Likuiditas Perusahaan Terhadap Konservatisme Perusahaan. *Diponegoro Journal of Accounting*, *2*(3), 1–11.

Purwanti, S. M., & Sugiyarti, L. (2017). Pengaruh Intensitas Aset Tetap, Pertumbuhan Penjualan dan Koneksi Politik Terhadap Tax Avoidance. *Jurnal Riset Akuntansi & Keuangan*, *5*(3), 1625–1641.

Putri, V. R. (2018). Analisis Faktor-Faktor Yang Mempengaruhi Effective Tax Rate. *Jurnal Akuntansi Keuangan Dan Bisnis*, *11*(1), 42–51.

Rahmadani, Muda, I., & Abubakar, E. (2020). Pengaruh Ukuran Perusahaan, Profitabilitas, Leverage, dan Manajemen Laba terhadap Penghindaran Pajak Dimoderasi oleh Political Connection. *Jurnal Riset Akuntansi Dan Keuangan*, *8*(2), 375–392.

Resmi, S. (2017). *Perpajakan Teori & Kasus*. Salemba Empat.

Rianto, & Muhamad Alfian. (2022). Pengaruh Leverge Dan Capital Intensity Ratio Terhadap Effective Tax Rate Dengan Profitabilitas Sebagai Variabel Moderasi (Studi Empiris Pada Perusahaan Sektor Pertambangan Yang Terdaftar Di BEI Periode 2016-2020). *RELEVAN : Jurnal Riset Akuntansi*, *2*(2), 100–115. https://doi.org/10.35814/relevan.v2i2.3462

Sahrir, S., Syamsuddin, S., & Sultan, S. (2021). Pengaruh Koneksi Politik, Intensitas Aset Tetap, Komisaris Independen, Profitabilitas Dan Leverage Terhadap Tax Avoidance. *Jurnal Penelitian Ekonomi Akuntansi (JENSI)*, *5*(1), 14–30. https://doi.org/10.33059/jensi.v5i1.3517

Sari, N. A. (2018). Pengaruh Profitabilitas Dan Leverage Terhadap Penghindaran Pajak Dengan Pengungkapan CSR Sebagai Variabel Pemoderasi: Studi Pada Perusahaan Sektor Industri Barang Konsumsi Yang Terdaftar di BEI Tahun 2014-2016. *UIN Malang*.

Sawitri, A. P., Alam, W. Y., & Dewi, F. A. A. (2022). Pengaruh Profitabilitas, Pertumbuhan

Penjualan, Ukuran Perusahaan Dan Koneksi Politik Terhadap Penghindaran Pajak. *Jurnal Riset Akuntansi Mercu Buana*, *8*(1), 44–52.

Setyawan, H. (2021). *Tercapainya Realisasi Penerimaan Pajak 2021, Momentum Penyehatan APBN*. Www.Komwasjak-Kemenkeu.Com.

Subiyanto, B. (2021). Pengaruh Profitabilitas, Ukuran Perusahaan, Dan Ukuran Komisaris Independen Terhadap Effective Tax Rate (Studi pada Perusahaan Sub Sektor Consumer Goods yang terdaftar di Bursa Efek Indonesia periode 2013-2017). In *Jurnal Ilmu Akuntansi* (Vol. 19, Issue 1, pp. 45–69). http://journal.unas.ac.id/akunnas/article/view/1085/845

Suwarno, Mu'minatus, Suwandi, Syaiful, & A. (2020). Management incentives and corporate fraud: An effectiveness review of corporate governance in indonesia. *International Journal of Scientific and Technology Research*, *9*(3), 4983–4988.

Suwiknyo, E. (2022). *Penerimaan Pajak Tembus Target? Jangan Senang Dulu*. Www.Bisnis.Com.

Taufiqurokhman. (2018). *Manajemen Strategik*. Universitas Prof. Dr. Moestopo.

Utari, N. K. Y., & Supadmi, N. L. (2017). Pengaruh Corporate Governance, Profitabilitas Dan Koneksi Politik Pada Tax Avoidance. *E-Jurnal Akuntansi*, *18*(3), 2202–2230.

Vintilă, G., Gherghina, Ş. C., & Păunescu, R. A. (2018). Study of Effective Corporate Tax Rate and Its Influential Factors : Empirical Evidence from Emerging European Markets. *Emerging Markets Finance and Trade*, *54*(3), 571–590.

Wahab, E. A. A., Ariff, A. M., Marzuki, M. M., & Sanusi, Z. M. (2017). Political Connections, Corporate Governance, And Tax Aggressiveness In Malaysia. *Asian Review Of Accounting*, *25*(3), 424–451.

Wahyuni, S. D., & Prastiwi, D. (2020). Pengaruh Capital Intensity Terhadap Tax Aggressiveness Dengan Profitabilitas Sebagai Variabel Moderasi. *AKUNESA: Jurnal Akuntansi Unesa*, *09*(01), 1–20.

THE EFFECT OF INFORMATION ASYMMETRY, ACCOUNTING CONSERVATISM, AND FIRM SIZE AGAINST EARNING MANAGEMENT WITH GOOD CORPORATE GOVERNANCE AS MODERATING VARIABLES

Dwi Indri Syahputri[1], Nawirah[2]
Faculty of Economics, Islamic State University Of Maulana Malik Ibrahim Malang[1,2]

ARTICLE INFO	ABSTRACT
  Correspondence: Dwi Indri Syahputri 19520029@student.uin-malang.ac.id	This study aims to investigate the impact of information asymmetry, accounting conservatism, and firm size on earning management with the moderation of good corporate governance. The population in this study is companies in the primary consumer goods industry sector listed on the IDX in 2018-2021, and samples were selected using purposive sampling techniques and obtained from as many as 18 companies that meet the research criteria. The total data becomes 72 observational data. The data was analyzed using a panel data regression test with the help of the Eviews 12 application. The results of this study show that information asymmetry and firm size do not have a significant effect on earning management, accounting conservatism has a negative and significant impact on earning management, GCG is unable to moderate or weaken the relationship between information asymmetry, accounting conservatism and firm Size on earning management.

INTRODUCTION

Financial statements are an essential component that contains profit information. Investors and other parties will use profit information to make a decision and assess management performance, and predict profits and profitability that will be obtained in the future (Surianti et al., 2021). Known for the importance of profit information, most users of financial statements look at the numbers without knowing the origin of the numbers obtained. As a result, managers use loopholes to carry out opportunistic actions when presenting financial statements (Anjarningsih et al., 2022). Opportunist actions depend on selecting and applying accounting methods to obtain better profits. These earning management actions can occur legally or illegally.

The legal practice of earning management means that efforts to influence profit figures do not contradict the Generally Accepted Accounting Principles (PABU), especially the financial reporting rules in Accounting Standards. At the same time, illegal profit management practices (also known as financial fraud) are carried out in ways prohibited or not allowed by PABU (Syaiful, 2017). Earning management is fascinating because several cases relate to profit management in Indonesia and abroad. An example of an issue occurred in one of the companies in Indonesia, namely PT Tiga Pilar Sejahtera Food Tbk, in 2018. According to the findings of an investigation conducted by PT Ernst &; Young Indonesia (EY), there are allegations of inflating funds in several accounts carried out by senior management (directors) worth IDR 4 trillion, then growing income worth IDR 662 billion, and other bubbles worth IDR 329 billion (Wareza, 2019).

Several factors cause earning management, one of which is information asymmetry. According to Richardson (1998) in Yanti & Setiawan (2019), there is a systematic relationship between information asymmetry and the level of earning management. The higher the level of information asymmetry managers obtain about the company compared to owners or shareholders, the more excellent the opportunity for managers to manipulate profits and impact improving earning management practices. This research agrees with Wardani & Wahyuningtyas (2017) and Rohayati (2020), who show that information asymmetry positively affects earning management practices. Contrary to the study of Lubis & Pratiwi (2020) and Yanti & Setiawan (2019), which provide results that information asymmetry does not influence earning management.

163

Another factor is accounting conservatism. Accounting conservatism is considered a cautious response to predicting uncertainty in the future (Savitri, 2016). Based on the case that occurred in PT Timah for the 2018 period, it is known that the company revised its financial statements by posting a net profit of Rp532.35 billion to Rp132.29 billion (Kompas.com, 2020). This case indicates that the company did not apply the principle of accounting conservatism before presenting financial statements. This will indirectly encourage earning management through profit minimization (Anjarningsih et al., 2022). Research by Maryati et al. (2020) states that accounting conservatism positively affects earning management. In contrast to the research results of Anjarningsih et al. (2022), Wibisono & Fuad (2019) shows that accounting conservatism has a significant negative impact on earning management.

Firm size is another factor that influences management practices, in addition to information asymmetry and accounting conservatism. A firm size is a number that represents the size of an organization. Astari & Suputra (2019) also added that companies with large sizes act less on earning management than companies with small sizes that are more likely to manage earnings by raising reported profits to reveal adequate company performance. This is consistent with the findings of research by Dewi & Budiasih (2019); Adyastuti & Khafid (2022) show that firm size negatively affects earning management. In contrast, Agustia & Suryani (2018) research shows that firm size does not significantly impact profit management.

Profit management actions that occur today can be minimized by implementing a mechanism, namely Good Corporate Governance (GCG). One of the objectives of implementing GCG (Good Corporate Governance) is to reduce the occurrence of earning management practices generally carried out by company managers (Maryati et al., 2020). The mechanism of Good Corporate Governance in this study uses managerial ownership. Managerial ownership can help control agency problems where management with a high percentage of share ownership acts like someone who is interested in the company (Astari & Suputra, 2019). This research refers to Gusmiarni & Alisa's (2022) study, which examines the influence of good corporate governance, accounting conservatism, and company size on earning management.

The research gap from this study is the occurrence of inconsistencies in research results in previous studies, so the purpose of this study is to reexamine the factors that affect profit management by adding moderation variables of good corporate governance. Hence, the purpose of this study is to reconsider the factors that affect profit management by adding moderation variables to the Good Corporate Governance mechanism to see whether the existence of this mechanism can weaken (strengthen) the occurrence of profit management practices. The novelty of this study is the addition of the independent variable used, namely information asymmetry. At the same time, the variable of good corporate governance in this study operates as a moderation variable with a managerial ownership mechanism. The next difference lies in the object under investigation. Gusmiarni & Alisa's (2022) research uses manufacturing companies. Meanwhile, researchers chose companies in the primary consumer goods sector for 2018-2021. The primary consumer goods industry sector is part of one of the manufacturing companies that continues to grow in line with population growth and conditions in Indonesia, as recorded in the Directorate General of Population and Civil Registration (Tamala & Sudjiman, 2022).

Literature Review
Agency Theory

The agency theory introduced by Jensen & Meckling (1976) revealed differences in interests between shareholders and managers who are principals and agents in running the company. This will lead to agency complications because to maximize the interests of its utility, each party will strive to achieve these interests. As principals, shareholders make contracts to maximize their welfare by increasing profits continuously. While the manager's motivation as an

agent is to improve the fulfillment of financial and psychological needs such as getting investment, loans, and compensation contracts (Puspitasari, 2019). The concept of agency theory is the relationship between the principal and the agent. The principal will give work to the agent to perform tasks following the principal's interests, and delegation of authority when making a decision comes from the principal to the agent (Maryati et al., 2020).

Earning Management

Earning management is generally defined as a way for company agents (managers) to intervene in the information contained in financial statements to manipulate interest owners' curiosity regarding the company's performance and state. Earning management aims to realize managers' personal interests by controlling the level of profit reported to stakeholders to optimize their welfare. This creates a knowledge gap between managers and stakeholders (Cahyono & Widyawati, 2019).

Information Asymmetry

Brigham and Houston (2001) in Cahyono & Widyawati (2019) explained that information asymmetry refers to conditions where managers have different information about company prospects than parties outside the company. The emergence of information asymmetry is because managers know more about insiders and the company's chances in the future than shareholders. So the manager must inform the owner about the company's state; if the manager does not fulfill the task, it will cause an imbalance of information between the manager and the owner.

Accounting Conservatism

Accounting conservatism is a principle that carefully recognizes and measures assets and profits because economic activity is surrounded by uncertainty. The relationship between these principles is that the accounting method chosen will be aimed at lower reported profits and assets while debt is reported higher (Alfin et al., 2020). In addition, accounting conservatism represents costs and losses recognized at the beginning and delays in identifying income and profits (Givoly & Hayn, 2000).

Firm Size

Boediono (2005) in Cahyono & Widyawati (2019) explained that firm Size is a scale where companies can be classified differently, including total assets, log size, stock market value, etc. The company's size is also an estimate that reflects its situation to assess its total assets and sales. Significant total purchases and sales indicate that the company is large (Sucipto & Zulfa, 2021). Fund management gets more complicated if the company's size gets bigger.

Good Corporate Governance

Good Corporate Governance (GCG) is a concept based on agency theory expected to act as a means to provide confidence to investors that investors will get a return on the funds that have been invested (Utomo, 2020). A good corporate governance mechanism can be interpreted as a rule and interaction that is interrelated with the parties making decisions and controlling. Then supervision will be carried out on the provisions of the decision (Arifiyati & Machmuddah, 2019). This study uses good corporate governance mechanisms to minimize profit management, namely managerial ownership.

HYPOTHESIS AND RESEARCH FRAMEWORK
Information Asymmetry Against Earning Management.

Information asymmetry occurs because managers know more about the company's information and prospects than shareholders. After all, managers generally have more access to confidential information that cannot be accessed by shareholders and other stakeholders (Cahyono

& Widyawati, 2019). Based on agency theory, there is an information asymmetry between managers and shareholders where there is an assumption that shareholders' ignorance of information means that the information obtained is sometimes not following the prevailing circumstances in the company. Therefore, if the data obtained by managers is higher than external parties of the company, it will provide opportunities for earning management to be higher (Devanka et al., 2022). This aligns with research conducted by Rohayati (2020), which states that information asymmetry positively affects earning management. However, these results contradict Cornelia & Adi's (2022) research which provides results that information asymmetry does not affect earning management.
H1: Information asymmetry has a significant impact on earning management.

Accounting conservatism Against Earning Management.

In earning management, company managers usually use nonconservative (optimistic) accounting because accounting conservatism is considered to limit managers from carrying out opportunistic actions. So this principle of accounting conservatism is considered beneficial because it can minimize the optimistic nature of management and avoid extreme attitudes in financial statements. When profit management is applied, accounting conservatism becomes an obstacle for managers to manage profits (Surianti et al., 2021). Based on the positive accounting theory that explains the existence of bonus motivation, it will encourage managers to apply conservative accounting (Anjarningsih et al., 2022). The principle of conservatism is more likely to support investors by protecting against investing errors, which will undoubtedly make mistakes when analyzing profit information in companies (Surianti et al., 2021). This is supported by research conducted by Gusmiarni & Alisa (2022), which states that accounting conservatism significantly affects earning management.
H2: Accounting conservatism has a significant effect on earning management.

Firm Size Against Earning Management.

Large companies have a more comprehensive stakeholder base, so company policies affect the public interest more than small companies, which have policy implications on future cash flow prospects (Mayanisa & Priyadi, 2019). The financial assets that the organization holds can be used to determine the company's size. The larger the company's size, the less likely it is to take earning management measures. Larger companies are usually extra cautious in preparing financial statements because many entities pay attention to and examine the financial notices to be published (Rohayati, 2020). This study agrees with Panjaitan & Muslih (2019), which shows that firm Size negatively affects earning management. This is contrary to the research of Chairunnisa et al. (2022). The size of the company has a positive effect on earning management.
H3: Firm size has a significant effect on earning management.

GCG moderates the impact of information asymmetry on earning management

Opportunistic practices carried out by a manager cause managers only to convey information that brings benefits to themselves. In addition to valuable information to managers, disclosing such information will be hidden or delayed. Using good corporate governance mechanisms can help reduce information asymmetry (Wardani & Wahyuningtyas, 2018). The instrument used in this study is managerial ownership. Based on agency theory, conflicts of interest between principals and agents can be suppressed by managerial ownership. The manager (agent) no longer acts following his interests (Feronika et al., 2021). The higher administrative right owned by management will affect the actions of managers who want the same things as shareholders' wishes. It can reduce the occurrence of earning management (Keown et al., 2010) in (Arifiyati & Machmuddah, 2019).
H4: GCG moderates the impact of information asymmetry on earning management.

GCG moderates the effect of accounting conservatism on earning management.

Managers are included in managerial shareholdings and also have a role in decision-making. Since most company shares are owned by management, this will increase incentives for managers to be involved in earning management (Arifiyati & Machmuddah, 2019). Company managers usually use nonconservative (optimistic) accounting because accounting conservatism is considered to limit managers from carrying out opportunistic actions. This managerial ownership is expected to strengthen the correlation between accounting conservatism and earning management. This research is consistent with the findings of Arthawan & Wirasedana (2018), which prove that managerial ownership negatively affects earning management.

H5: GCG moderates the effect of accounting conservatism on earning management.

GCG moderates the effect of firm size on earning management

Large companies generally have more complicated operational activities, resulting in profit management practices compared to small companies. According to Gunawan et al. (2015) in Tsaqif & Agustiningsih (2021), large companies tend to be considered to provide more significant incentives to engage in profit management than small companies because small companies have high political costs. The existence of managerial ownership is considered suitable for reducing or reducing the occurrence of agency conflicts by equalizing the interests of managers (agents) and shareholders (principals) (Feronika et al., 2021). This research is consistent with the findings of Arthawan & Wirasedana (2018), which prove that managerial ownership negatively affects earning management.

H6: GCG moderates the effect of company size on earning management.

Figure 1
Research Framework
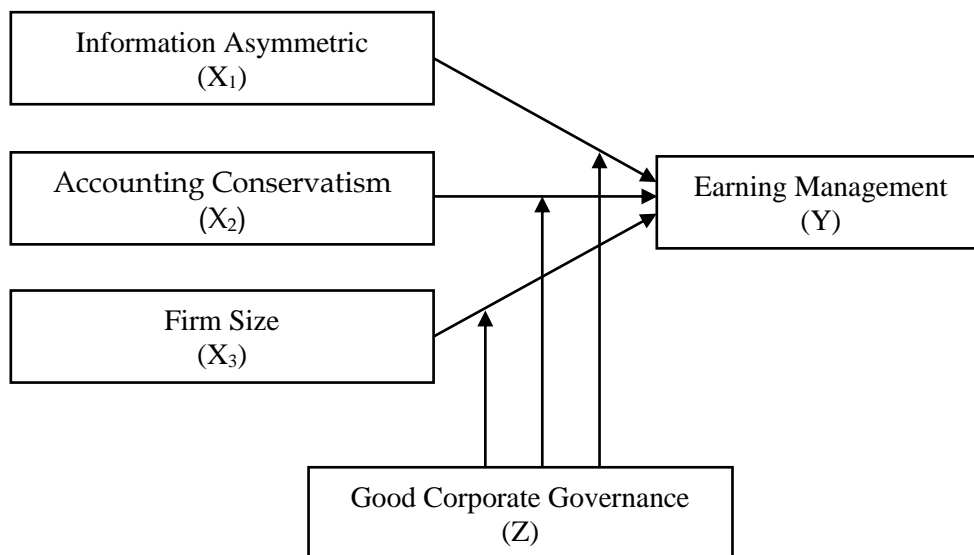
Source: Research Data, 2023

RESEARCH METHODS

This research uses quantitative data with secondary data sources. It can access secondary data through the official IDX website, namely www.idx.co.id, in the form of the company's annual financial statements and information needed for this study. The analysis used in this study was panel data regression analysis. The time series data used in this study was for four years, from 2018 to

2021. Meanwhile, the cross-section data used are companies in the primary consumer goods industry sector listed on the IDX with a total sample of 18 companies.

Population and Sample

Primary consumer goods industry sector companies listed on the IDX during 2018-2021 are population data in this study. It obtained as many as 98 companies listed on the IDX. Sampling was done using purposive sampling techniques by determining several criteria in this study.
1. Manufacturing companies in the primary consumer goods sector that are not listed consecutively on the Indonesia Stock Exchange in 2018-2021.
2. Companies that do not publish financial statements for the 2018-2021 period.
3. Companies that do not have managerial ownership.
4. The company did not generate profits for the 2018-2021 period.

Table 1
Stages of Sample Selection With Criteria

Criteria	Number of Companies
Population: Primary Consumer Goods Sector Companies listed on IDX	**98**
Manufacturing companies in the primary consumer goods sector that are not listed consecutively on the Indonesia Stock Exchange in 2018-2021.	(33)
Companies that do not publish financial statements for the 2018-2021 period.	(3)
Companies that do not have managerial ownership	(24)
The company did not generate profits for the 2018-2021 period	(20)
Number of Samples	**18**
Observation Year	**4**
Total Research Sample for Research Period 2018-2021	**72**

Source: Research Data, 2023

Variable Operational Description
Variable Dependent

The dependent variable in this study is earning management which focused on calculating discretionary accruals using the Modified Jones Model. The formula for calculating earning management is as follows:

Find Total Accrual (TAC).

$$TAC_{it} = NI_{it} - CFO_{it} \dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots (1)$$

Find accruals with the simple linear equation OLS (Ordinary Least Square).

$$\frac{TAC_{it}}{TA_{it}} = \beta_1 \left(\frac{1}{A_{it-1}}\right) + \beta_2 \left(\frac{\Delta REV_{it}}{A_{it-1}}\right) + \beta_3 \frac{PPE_{it}}{A_{it-1}} + e \dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots (2)$$

Calculate Non-Discretionary Accruals Model (NDAC).

$$NDAC_{it} = \beta_1 \left(\frac{1}{A_{it-1}}\right) + \beta_2 \left(\frac{\Delta REV_{it} - \Delta REC_{it}}{A_{it-1}}\right) + \beta_3 \frac{PPE_{it}}{A_{it-1}} + e \dots\dots\dots\dots\dots\dots\dots (3)$$

Furthermore, the DAC value obtained is:

$$DAC_{it} = \frac{TAC_{it}}{TA_{it}} - NDAC_{it} \dots\dots (4)$$

Information:

TAC_{it}	= Accruals totaled by the organization i in period t
NI_{it}	= Net profit of company i in period t
CFO_{it}	= Cash flow from the company's operating activities i in period t
A_{it}	= Total assets of the company i in period t-1
ΔREV_{it}	= Change in total net income in period t
ΔREC_{it}	= Changes in company receivables i in period t
PPE_t	= Value of fixed assets (gross) of the company i in period t
$NDAC_{it}$	= Non-Discretionary Accruals company i in period t
DAC_{it}	= Discretionary Accruals of the company i in period t
$\beta_1, \beta_2, \beta_3$	= Regression Coefficient
e	= Error

Variable Independent
Information Asymmetry

Information asymmetry is measured using the Bid-Ask Spread theory. The SPREAD formula, according to Utomo (2020), is as follows:

$$SPREAD = \frac{Ask,t - Bid,t}{(Ask,t + Bid,t):2} \times 100 \dots\dots (5)$$

Information:

SPREAD: The difference between the price at the ask and the company's bid price that occurred on day t

Aski,t: The highest ask price on the shares of the company i and on day t

Bidi,t: The lowest bid price on shares of the company i and on day t

Accounting Conservatism

Accounting conservatism is measured using a model by Givoly & Hayn (2000), which is formulated as follows:

$$CONACC = \frac{(NIO + DEP - CFO) \times (-1)}{TA} \dots\dots (6)$$

Information:

NIO: Net Income Before Extraordinary Items Occur Minus Depreciation and Amortization

DEP: depreciation of fixed assets

CFO: Operating Cash Flow

TA: Total assets

Firm Size

Firm Size is measured by the company's total assets, which are then transformed into Natural Logarithms (Ln). The firm size formula, according to Wibowo & Sari (2021), is as follows:

$$Firm\ Size = Ln\ (Total\ Assets) \dots\dots (7)$$

Variabel Moderating

This study measures Good Corporate Governance (GCG) using managerial ownership mechanisms. The managerial ownership formula is as follows:

$$Managerial\ Ownership = \frac{Share\ ownership\ by\ commissioners, directors\ \&\ managers}{Number\ of\ shares\ outstanding} \dots\dots (8)$$

The equation model used in this study is panel data regression. The equation model formula is as follows:

$$EM = \alpha + \beta 1 X_1 + \beta 2 X_2 + \beta 3 X_3 + \beta Z + \beta 1 X_1 {*} Z + \beta 2 X_2 {*} Z + \beta 3 X_3 {*} Z + e \dots\dots (9)$$

169

Information:
EM   = Earning Management
A   = Constant
E   = Regression Error
X1   = Information Asymmetry
X2   = Accounting Conservatism
X3   = Firm size
Z   = GCG
X1*Z   = The interaction between information asymmetry and GCG
X2*Z   = interaction between accounting conservatism and GCG
X3*Z   = The interaction between company size and GCG

RESULTS AND DISCUSSION
Overview and Research Object
The research object used is companies in the primary consumer goods sector listed on the Indonesia Stock Exchange (IDX) for 2018-2021. The Indonesia Stock Exchange is an institution that implements and provides systems and facilities in securities (stock) trading. In this study, the population used was 98 companies in the primary consumer goods industry sector listed on the Indonesia Stock Exchange (IDX) for 2018-2021. Samples are selected based on purposive sampling techniques. Eighty representatives did not meet the criteria, so the number of samples obtained after being reduced by the number of those who did not meet the standards was 18 companies during the 2018-2021 period. And the amount of data used is 72 (18x4).

Research Result
After research, it was found that several companies that initially numbered 98 companies were eliminated because they did not meet the criteria used in this study. So that the total number of companies used as research samples was 18, and N became 72 data for four years (2018-2021).

Table 2
Descriptive Statistical Test Results

	EM	IA	AC	FS	GCG
Mean	-0,098	3,584	0,042	29,196	14,160
Medium	-0,105	3,028	0,033	28,953	2,285
Maximum	0,206	22,098	0,239	32,130	84,962
Minimum	-0,577	0,000	-0,208	27,340	0,017
Std. Dev.	0,122	3,321	0,086	1,334	24,281
Observations	72	72	72	72	72

Source: Research Data, 2023

Based on the results of descriptive statistical tests in Table 2, it can be seen that the sample in this study amounted to 72, with 18 companies in the primary consumer goods industry sector. The results of the descriptive analysis of the earning management (EM) variable had the lowest value of -0.577 with the highest value of 0.206, the average value of -0.098, and the standard deviation value of 0.122. The information asymmetry (IA) variable has the lowest value of 0.000, with the highest value of 22.098, a mean value of 3.584, and the standard deviation value of 3.321. The accounting conservatism (AC) variable has the lowest value of 0.000, with the highest value of 22.098, an average value of 3.584, and the standard deviation value of 3.321. The firm size (FS) variable has a low value of 27.340, with a high value of 32.130, an average value of 29.196, and a standard deviation value of 1.334. The good corporate governance (GCG) variable has the lowest

value of 0.017, with the highest value of 84.962, an average value of 14.160, and a standard deviation value of 24.281.

Table 3.
Results of Earning Management (EM) Analysis

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0,234	0,323	-0,723	0,472
IA	0,002	0,004	0,396	0,693
AC	-0,880	0,163	-5,381	0,000
FS	0,006	0,011	0,502	0,618
GCG	0,006	0,021	0,271	0,787
IA*GCG	-0,000	0,000	-0,867	0,389
AC*GCG	-0,009	0,012	-0,756	0,452
FS*GCG	-0,000	0,001	-0,194	0,847
R^2	0,432			
Adjusted R^2	0,370			
F-Statistic	6,946			
Prob (F-Statistic)	0,000			

Source: Research Data, 2023

Judging from the results of the regression test in Table 2, the moderation regression equation can be arranged as follows:

$$EM = \alpha + \beta1X_1 + \beta2X_2 + \beta3X_3 + \beta Z + \beta1X_1*Z + \beta2X_2*Z + \beta3X_3*Z + e$$

$$EM = -0,234C + 0,002IA - 0,880AC + 0,006FS + 0,006GCG - 0,000\,IA*GCG - 0,009\,AC*GCG - 0,000\,FS*GCG + e$$

Based on the regression result test in Table 3, it shows that it is 0,002, and the t value is 0,396 with a probability value. It amounted to 0,693, which shows that the probability value is more significant than 0.05. who indicates that the information asymmetry variable has a positive coefficient with a probability value more effective than 0.05, so it can be concluded that H0 is accepted and H1 is rejected. This can be interpreted that information asymmetry does not significantly affect profit management.

The regression result test in Table 3 shows that it is -0,880 and the t value is -5,381 with a probability value of 0,000, which shows that the probability value is smaller than 0.05. This indicates that the accounting conservatism variable has a negative coefficient with a probability value of less than 0.05, so it can be concluded that H2 is accepted and H0 is rejected. This can be interpreted that accounting conservatism has a negative and significant effect on profit management.

Based on the regression result test in Table 3, it shows that it is 0,006, and the t value is 0,502 with a probability value it amounted to 0,618, which shows that the probability value is more significant than 0.05. This indicates that the firm size variable has a positive coefficient with a value of probability greater than 0.05, so it can be concluded that H0 is accepted and H3 is rejected. This can be interpreted that firm Size does not significantly affect profit management.

Based on the regression result test in Table 3, it shows that it is -0.000 and the t value is -0.867 with a probability value it amounted to 0.389, which shows that the probability value is more significant than 0.05. This indicates that GCG cannot moderate the relationship between information asymmetry and profit management because it has an insignificant influence. So it can be concluded that the hypothesis of H0 is accepted and H4 is rejected.

Based on the regression result test in Table 3 shows that the value is -0.009 and the t value is -0.756 with a probability value its size is 0.452, which shows that the probability value is more significant than 0.05. This indicates that GCG cannot moderate the relationship between accounting conservatism and profit management because it has an insignificant influence. So it can be concluded that the hypothesis of H0 is accepted and H5 is rejected.

Based on the regression result test in Table 3 shows that the value is -0.000 and the t value is -0.194 with a probability value it amounted to 0.847, which shows that the probability value is more significant than 0.05. This indicates that GCG cannot moderate the relationship between

company size and profit management because it has an insignificant influence. So it can be concluded that hypothesis H0 is accepted and H6 is rejected.

Discussion

Information Asymmetry and Earning Management

The results of hypothesis testing in Table 3 show that the variable information asymmetry (IA) to earning management (EM) has a positive regression coefficient value of 0.002 and a significance value of 0.693 greater than 0.05. So it is concluded that information asymmetry has no effect and is significant in profit management. If it is based on agency theory, then information asymmetry should influence profit management. Information asymmetry occurs if the information obtained between the principal and agent is different and will cause conflict between the two parties The lack of influence of information asymmetry on earning management is several possibilities that cause the absence of the impact of information asymmetry on earning management. First, there are strict internal controls so that administrators cannot take steps to obscure existing information. Secondly, the manager may also be one of the investors. This reduces the asymmetric communication between owners and managers (Dwijaya, 2012) in (Putri & Machdar, 2017). The outcomes of this research agree with the results presented by Dewi & Budiasih (2019); Yanti & Setiawan (2019), which show that information asymmetry does not affect earning management. In addition, the results of this study are not in line with research conducted by (Antari et al., 2022), which shows that information asymmetry has a positive effect on profit management.

Accounting Conservatism and Earning Management

The variable accounting conservatism (AC) to earning management (EM) has a positive regression coefficient value of -0.880 and a significance value of 0.000, more diminutive than 0.05. This means that accounting conservatism negatively and significantly influences earning management. The conclusion is that Hypothesis 2 is accepted. The application of the precautionary attitude used by managers aims so that the disclosed profit is not overstated. The higher the prudential perspective used, the lower the reported profit (income decreasing). This means that the greater the value of accounting conservatism, the greater the level of profit management (Maryati et al., 2020). Lafond and Watts (2004) in Arifiyati & Machmuddah (2019) stated that in financial statements, manipulated profits and overstatements can be suppressed by applying accounting conservatism, which can ultimately increase company value and cash flow. The results of this study are in line with studies conducted by Maryati et al. (2020); Arifiyati & Machmuddah (2019), and Wibisono & Fuad (2019)) which provide results that conservatism accounting has a negative influence on earning management. In contrast to research conducted by Surianti et al. (2021) which provides results that accounting conservatism does not affect profit management.

Firm Size and Earning Management

The variable firm Size (FS) to earning management (EM) has a positive regression coefficient value of 0.006 and a significance value of 0.618 greater than 0.05. It implies that the firm's size does not influence earnings management. The conclusion is that Hypothesis 3 is rejected. This shows that the larger the company's size, the more earning management actions will be reduced or even not manipulate profits. The company's size in this study was measured using Ln total assets.. The absence of the influence of company size on profit management is due to strict supervision by the government, analysts, and investors who run the company so that managers do not dare to act to manipulate data (Agustia & Suryani, 2018). The company's size is not the only thing considered when deciding. However, there are still other factors that are more worthy of consideration to increase profits in the future. So the size of a company has no influence on the level of profit management because each company has the same interests, so it looks good for investors (Surianti

et al., 2021). The outcomes of this research are consistent with the findings of Dewi & Budiasih (2019), which provide results that firm size does not influence earning management. In contrast to the effects of research conducted by Adyastuti & Khafid (2022) dan Panjaitan & Muslih (2019), company size negatively affects earning management.

Information Asymmetry and Earning Management with Good Corporate Governance as Moderation Variable

The good corporate governance (GCG) variable in moderating information asymmetry on earning management has a regression coefficient value of -0.000 and a probability value of 0.389 greater than 0.05. This indicates that good corporate governance weakens the relationship between information asymmetry and earning management. The conclusion is that Hypothesis 4 is rejected. These results show that the influence of information asymmetry on profit management is strengthened due to GCG. This is evidenced by GCG weakening the impact of information asymmetry on earning management. This study represents that an increase in the influence of information asymmetry on earning management does not accompany the rise in GCG with managerial ownership indicators. In other words, managerial ownership is not the most critical indicator to achieve good corporate governance in companies in the primary consumer goods industry sector. Overall, the results of this survey show that the company is performing well, which can be seen from the indicators used and plays an essential role in terms of concrete and formal company information. However, these indicators do not influence improving earning management practices. The outcomes of this research are consistent with the findings of Utomo (2020), which provides results that GCG does not moderate the effect of information asymmetry on earning management.

Accounting Conservatism and Earning Management with Good Corporate Governance as Moderation Variable

The variable good corporate governance (GCG) in moderating accounting conservatism towards earning management has a regression coefficient value of -0.009 and a probability value of 0.452 greater than 0.05. This shows that GCG cannot reconcile the effect of conservatism accounting on earning management. The conclusion is that Hypothesis 5 is rejected. In this study, GCG indicators are managerial ownership. According to Syeikh &; Wang (2012) in Arifiyati & Machmuddah (2019), management ownership will align management positions with other shareholders so that management will also act in harmony with other shareholders so that high and low management supervision does not affect earning management. This study's results align with research conducted by Arifiyati & Machmuddah (2019), which provides results that managerial ownership, an indicator of GCG, cannot moderate the influence of accounting conservatism on earning management.

Firm Size and Earning Management with Good Corporate Governance as Moderation Variable

The variable good corporate governance (GCG) in moderating firm size against earning management has a regression coefficient value of -0.000 and a probability value of 0.847 greater than 0,05. It shows that GCG cannot moderate or weaken the influence of firm size on earning management. The conclusion is that Hypothesis 6 is rejected. This result does not align with Tsaqif & Agustiningsih's (2021) research which provides results that managerial ownership can strengthen the relationship between company size and earning management in a positive direction. Large companies will form a high sense of right and control and need to send positive information to shareholders even though the company is losing. Therefore, management can manipulate profit (Qomariyah, 2018) in (Tsaqif & Agustiningsih, 2021).

173

The Effect Of Information Asymmetry, Accounting Conservatism, And Firm Size Against
Earning Management With Good Corporate Governance As Moderating Variables
Dwi Indri Syahputri, Nawirah

CONCLUSIONS AND SUGGESTION

Based on the research's findings which were discussed, it may be deduced that information asymmetry does not significantly impact earning management. This suggests the company is experiencing good growth and has no competing interests between agents and owners. Meanwhile, accounting conservatism has a negative and significant effect on earning management where the higher the level of accounting conservatism practice, the level of profit management practice will also increase. In addition, company size does not significantly affect earning management, which means that large companies tend to have high public demand for information compared to smaller companies. Hence, the size of a company is not a benchmark for earning management practices.

The utilization of research objects is still constrained in this study, namely the primary consumer goods industry sector with an observation period of only three years, namely 2019-2021, so the results cannot be generalized to all types of manufacturing companies on the IDX. Suggestions that can be given to further researchers are (1) can add independent variables or other moderation variables such as profitability, audit committees, good corporate governance mechanisms other than managerial ownership or using the GCPI index, etc., (2) increase the observation period so that measurements of profit management trends are more accurate (3) expand the research objects used.

REFERENCES
Adyastuti, n. A., & khafid, m. (2022). The pengaruh ukuran perusahaan, arus kas bebas, leverage, dan profitabilitas terhadap manajemen laba. *Kompak :jurnal ilmiah komputerisasi akuntansi*, *6*(2), 2071–2084.

Agustia, y. P., & suryani, e. (2018). Pengaruh ukuran perusahaan, umur perusahaan, leverage, dan profitabilitas terhadap manajemen laba (studi pada perusahaan pertambangan yang terdaftar di bursa efek indonesia periode 2014-2016). *Jurnal aset (akuntansi riset)*, *10*(1), 63–74.

Alfin, m., amin, m., & junaidi. (2020). Pengaruh konservatisme akuntansi terhadap relevansi nilai laporan keuangan, manajemen laba dengan kepemilikan manajerial sebagai variabel moderasi (studi empiris pada perusahaan manufaktur yang listing di bei tahun 2016-2018). *E-jra*, *09*(12), 73–87.

Anjarningsih, t., suparlinah, i., wulandari, r. A. S., & hidayat, t. (2022). Pengaruh konservatisme akuntansi dan tata kelola perusahaan yang baik terhadap manajemen laba pada perusahaan badan usaha milik negara. *Jurnal akuntansi, keuangan, dan manajemen*, *3*(2), 99–115. Https://doi.org/10.35912/jakman.v3i2.626

Antari, n. P. D., novitasari, n. L. G., & dewi, n. L. P. S. (2022). Pengaruh profitabilitas , leverage , financial distress dan asimetri informasi terhadap manajemen laba. *Jurnal kharisma*, *4*(1), 243–253.

Arifiyati, f., & machmuddah, z. (2019). Pengaruh moderasi dari good corporate governance pada hubungan antara konservatisme akuntansi dan manajamen laba. *Jurnal riset akuntansi*, *9*(1), 9–18.

Arthawan, p. T., & wirasedana, w. P. (2018). Pengaruh kepemilikan manajerial, kebijakan utang dan ukuran perusahaan terhadap manajemen laba. *E-jurnal akuntansi*, *22*, 1. Https://doi.org/10.24843/eja.2018.v22.i01.p01

Astari, n. K. R., & suputra, i. D. . D. (2019). Pengaruh ukuran perusahaan, kepemilikan manajerial, dan kinerja keuangan pada manajemen laba. *E-jurnal akuntansi*, *26*, 1938. Https://doi.org/10.24843/eja.2019.v26.i03.p10

Cahyono, b., & widyawati, d. (2019). Pengaruh asimetri informasi dan ukuran perusahaan terhadap manajemen laba. *Jurnal ilmu dan riset akuntansi*, *8*(1), 1–16.

Chairunnisa, a., pahala, i., & nasution, h. (2022). Profitabilitas, leverage, ukuran perusahaan, opini

audit dan manajemen laba. *E-jurnal akuntansi*, *32*(11), 3336. Https://doi.org/10.24843/eja.2022.v32.i11.p10

Cornelia, e., & adi, w. (2022). Pengaruh profitabilitas, leverage, free cash flow dan asimetri informasi terhadap manajemen laba pada perusahaan manufaktur sektor industri barang konsumsi yang terdaftar di bursa efek indonesia pada tahun 2016-2019. *Kajian ekonomi dan kebijakan publik*, *7*(1), 178.

Devanka, d., endiana, i. D. M., & kumalasari, p. D. (2022). Analisis faktor-faktor yang mempengaruhi manajemen laba pada perusahaan manufaktur yang terdaftar di bursa efek indonesia periode 2018-2020. *Jurnal kharisma*, *4*(1), 85–96.

Dewi, a. A. I. S., & budiasih, i. G. A. N. (2019). Pengaruh asimetri informasi, ukuran perusahaan, dan employee stock ownership program pada praktik manajemen laba anak. *E-jurnal akuntansi universitas udayana*, *27*(1), 594–615. Https://doi.org/https://doi.org/10.24843/eja.2019.v27.i01.p22 pengaruh

Feronika, d. A. C., merawati, l. K., & yuliastuti, i. A. N. (2021). Pengaruh asimetri informasi, corporate governance, net profit margin (npm), dan kompensasi bonus terhadap manajemen laba. *Kharisma*, *3*(1), 150–161.

Fuad, b. W. (2019). Pengaruh konservatisme akuntansi terhadap manajemen laba pada perusahaan manufaktur di indonesia. *Diponegoro journal of accounting*, *8*(4), 1–13. Http://ejournal-s1.undip.ac.id/index.php/accounting

Givoly, d., & hayn, c. (2000). The changing time-series properties of earnings, cash flows and accruals. *Journal of accounting and economics*, *29*, 287–320.

Gusmiarni, & alisa, n. D. (2022). Pengaruh good corporate governance dan ukuran perusahaan terhadap manajemen laba perusahaan manufaktur yang terdaftar di bursa efek indonesia (bei). *Jurnal akademi akuntansi indonesia padang (jaaip)*, *2*(2), 71–88.

Jensen, m. C., & meckling, w. H. (1976). Theory of the firm: managerial behavior, agency costs and ownership structure. *Journal of financial economic 3*, 308–360.

Kompas.com. (2020). *Pt timah revisi laporan keuangan, ada apa?* Www.kompas.com. Https://money.kompas.com/read/2020/04/16/113814926/pt-timah-revisi-laporan-keuangan-ada-apa?page=all

Lubis, h., & pratiwi, d. (2020). Pengaruh asimetri informasi dan ukuran perusahaan terhadap manajemen laba pada perusahaan properti yang terdaftar di bei. *Scenario (seminar of social sciences engineering and humaniora)*, 235–248.

Maryati, yusnaini, s., & dwiantoro, a. (2020). Pengaruh good corporate governance dan konservatisme akuntansi terhadap manajemen laba. *Jurnal bisnis dan ekonomi*, *1*(1), 24–37. Https://www.lpbe.org/index.php/lpbe/article/download/37/40

Mayanisa, c. F., & priyadi, m. P. (2019). Pengaruh asimetri informasi, ukuran perusahaan, dan leverage terhadap manajemen laba. *Jurnal ilmu dan riset akuntansi*, 1–15.

Panjaitan, d. K., & muslih, m. (2019). Manajemen laba: ukuran perusahaan, kepemilikan manajerial dan kompensasi bonus. *Jurnal aset (akuntansi riset)*, *11*(1), 1–20. Https://doi.org/10.17509/jaset.v11i1.15726

Puspitasari, n. (2019). Pengaruh asmetri informasi, leverage dan profitabilitas terhadap manajemen laba riil. *Muara : jurnal manajemen pelayaran nasional*, *2*(1), 36–45.

Putri, f. A., & machdar, n. M. (2017). Pengaruh asimetri informasi arus kas bebas dan ukuran perusahaan terhadap manajemen laba. *Jurnal bisnis dan komunikasi*, *4*, 83–92.

Rohayati, e. (2020). Pengaruh asimetri informasi dan ukuran perusahaan terhadap manajemen laba pada sub sektor industri rokok yang terdaftar di bursa efek indonesia periode 2013-2017. *Eksis: jurnal ilmiah ekonomi dan bisnis*, *10*(2), 116. Https://doi.org/10.33087/eksis.v10i2.173

Savitri, e. (2016). Konservatisme akuntansi: cara pengukuran, tinjauan empiris dan faktor-faktor yang mempengaruhinya. In musfialdi (ed.), *pustaka sahila yogyakarta* (vol. 1). Pustaka sahila yogyakarta.

Sucipto, h., & zulfa, u. (2021). Pengaruh good corporate governance, financial distress dan ukuran perusahaan terhadap manajemen laba. *Jad : jurnal riset akuntansi & keuangan dewantara*, *4*(1), 12–22. Https://doi.org/10.26533/jad.v4i1.737

Surianti, m., oktaviani, e., & syafputri, t. (2021). Pengaruh good corporate governance, ukuran perusahaan dan leverage terhadap kinerja keuangan. *Konferensi nasional sosial dan engineering polmed (konsep)*, *2*(1), 399–410.

Syaiful, m. (2017). Management laba (earnings management) dalam tinjauan etika islam. *Ekomadania : journal of islamic economic and social*, *1*(1), 28–56.

Tamala, a., & sudjiman, l. S. (2022). Pengaruh profitabilitas terhadap harga saham pada perusahaan manufaktur sektor barang konsumen primer yang terdaftar di bei tahun 2017-2021. *Ekonomis : jurnal ekonomi dan bisnis*, *15*(1), 24–43.

Tsaqif, b. M., & agustiningsih, w. (2021). Pengaruh financial distress dan ukuran perusahaan terhadap manajemen laba dengan kepemilikan manajerial sebagai variabel moderasi. *Jurnal akuntansi dan governance*, *2*(1), 53.

Utomo, l. P. (2020). Good corporate governance moderation of influence between information asymetry againts earning management. *Bilancia: jurnal ilmiah akuntansi*, *4*(2), 183–290. Https://doi.org/http://www.ejournal.pelitaindonesia.ac.id/ojs32/index.php/bilancia/index

Wardani, k. D., & wahyuningtyas, w. (2018). Good corporate governance sebagai. *Akuntansi*, *25*(2), 69–81.

Wareza, m. (2019). *Tiga pilar dan drama penggelembungan dana*. Www.cnbcindonesia.com. Https://www.cnbcindonesia.com/market/20190329075353-17-63576/tiga-pilar-dan-drama-penggelembungan-dana

Wibowo, a. C., & sari, m. M. R. (2021). Corporate governance, ukuran perusahaan, asimetri informasi dan manajemen laba. *E-jurnal akuntansi*, *32*(2), 3638. Https://doi.org/10.24843/eja.2022.v32.i02.p04

Yanti, t. R., & setiawan, p. E. (2019). Pengaruh asimetri informasi, ukuran perusahaan, leverage dan profitabilitas pada manajemen laba. *E-jurnal akuntansi*, *27*, 708. Https://doi.org/doi: https://doi.org/10.24843/eja.2019.v27.i01.p26