
FACTORS AFFECTING THE IMPLEMENTATION OF SAK EMKM IN MSMEs WITH ENVIRONMENTAL UNCERTAINTY AS MODERATION VARIABLE

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ABSTRACT

KEYWORDS

educational background;
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understanding of
information technology;
environmental uncertainty

This study aims to examine the effect of educational background, understanding of accounting and understanding of information technology on the implementation of SAK EMKM in SMEs with environmental uncertainty as a moderation. The population in this study was 11,746 SMEs in Tangerang City and a sample of 99 SMEs was obtained by calculating using the Slovin formula. Research data collection was carried out by distributing questionnaires to the 99 SMEs. Testing the data in this study was carried out using Partial Least Squares (PLS). The results of this study indicate that educational background has a significant effect on the implementation of SAK EMKM in Tangerang SMEs, while accounting understanding and understanding of information technology have no significant effect on the implementation of EMKM SAK in Tangerang City SMEs. Meanwhile, environmental uncertainty moderates the effect of educational background, understanding of accounting, and understanding of information technology on the implementation of SAK EMKM in SMEs in Tangerang.

INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) are a sector of the national economy that concerns the livelihoods of many people and is the most strategic so that they become the backbone of the economy in Indonesia. The MSME sector has great potential to be developed. The great potential of the MSME sector is that MSMEs do not have much dependence on external factors such as world economic turmoil, such as debt in foreign currency and imported raw materials in carrying out their activities. After a relatively short production period for MSMEs, the capital requirements for MSMEs, especially MSEs, are relatively small. Most MSME businesses are labor-intensive activities and are able to utilize skilled and semi-skilled workers. MSMEs are able to create jobs at low capital costs and support the existence of large-scale companies. The MSME sector has a role in driving economic growth and accelerating income distribution through business opportunities. This sector continues to experience development from year to year (Hastuti et al., 2020).

Even though they have considerable potential, MSMEs have not been able to fully anticipate business challenges that are very dynamic. These conditions make MSMEs unable to play an optimal role as the backbone of the Indonesian economy. The main problems faced by MSMEs include capital, management and preparation of financial reports. The government understands that capital assistance is the most important thing for MSMEs. The availability of capital allows SMEs to continue their business. In the context of normal circumstances not being hit by a pandemic, MSME players can apply for credit through various sources of credit providers. Each credit provider has procedures and requirements that must be carried out and met. One of the requirements that must be provided is the existence of financial data. In general, MSMEs are not bankable (according to banking) although some of them are quite feasible from

a business standpoint. In fact, banks will always adhere to the principle of prudence and try to fulfill aspects of compliance with banking principles in deciding the credit they provide. The large number of MSMEs that are not yet bankable is partly due to the lack of transparent financial management as well as a lack of managerial and financial capabilities.

As Micro, Small and Medium Enterprises (MSMEs) develop in Indonesia, the Indonesian Association of Accountants has developed financial accounting standards to be implemented by business entities. Initially, SAK for MSMEs in Indonesia was the Financial Accounting Standards for Entities Without Public Accountability (SAK ETAP) which were the result of the adoption of IFRS for SMEs. SAK ETAP is almost no different from general SAK that is prepared for large companies and those that have gone public. MSMEs as small entities that do not yet have public accountability experience problems in implementing SAK ETAP. Therefore, a review and redevelopment of SAK for MSMEs was carried out. Salmiah et al (2015) stated that 83% of MSMEs did not understand the contents of SAK ETAP, and 70% of MSMEs did not provide additional information that was not presented in the financial reports so that the information produced was incomplete, namely due to a lack of knowledge, understanding and awareness of the importance of a complete accounting application in accordance with the standards applicable to MSME managers, especially in the process of preparing financial reports to obtain information about business activities for one period.

The discrepancy in accounting standards for MSMEs has made the Financial Accounting Standards Board of the Indonesian Accounting Association (DSAK IAI) develop accounting standards that can meet the needs of MSMEs by creating financial accounting standards that can support the progress of MSMEs in Indonesia, in 2016 DSAK IAI ratified the Entity Financial Accounting Standards for Micro, Small and Medium Enterprises (SAK EMKM) which became effective on January 1, 2018 as an effort to support the progress of the Indonesian economy, SAK EMKM contains simpler accounting arrangements compared to SAK ETAP. The preparation of SAK EMKM aims to encourage and provide facilities regarding MSME financial reporting needs. Many studies have concluded that some MSMEs are still unable to apply SAK ETAP properly, because MSMEs think that SAK ETAP is too complex and not suitable for MSME financial reporting needs (IAI, 2016). SAK EMKM is designed to replace SAK ETAP which is used by MSME players in making financial reports. SAK EMKM is considered simpler and makes it easier for MSME actors in the process of preparing financial reports.

One of the other problems faced by MSMEs is the problem of accounting or financial management (Wardhani et al., 2018). When a business is running and starting to grow, sometimes business actors start to think about further improving their business bookkeeping. At present many business people, especially small and medium enterprises, are already running their businesses but still do not have neat bookkeeping, so it is often difficult to analyze business trends, cash flows and the level of business development (Harnovinsah and Anasta, 2019). In general, MSMEs are a number of small businesses that are individuals or companies that are closed and depend on the owner's funds. Capital is often the main factor needed to develop a business and business. On the other hand, Bank Indonesia views micro, small and medium enterprises as potential markets for the financial industry, especially in terms of the allocation of financing by banks. The reason is, 60% -70% of MSMEs in Indonesia do not have access to financing. Funding from banks or other financial industries is widely available but difficult to obtain due to unfulfilled administrative and technical requirements for MSMEs. In general, banks require financial reports that provide information and considerations about the company's ability to repay loans that have been made. Many MSME participants cannot fulfill these requirements due to a lack of knowledge of accounting and financial reporting.

Implementation of SAK EMKM is often influenced by the owner's educational background, understanding of owner accounting, and understanding of information technology related to SAK EMKM among MSME actors. In previous studies, each factor showed different results. Research conducted by Setyaningsih and Farina (2021) shows that higher education will result in higher MSME financial reporting based on SAK EMKM. Educational background influences the accounting knowledge of MSME owners because accounting knowledge can be obtained by MSME owners in tertiary institutions. Therefore, the more knowledge about the basic science of accounting, the better the practice of financial reporting in a business. This research is in line with Zelig et al., (2020) that when the educational background of business owners increases, it helps them improve their skills in preparing, reading, understanding, and using accounting information for their business decisions. However, based on research by Wulandari et al., (2020) the educational background of MSME owners does not affect the intention of MSME owners to implement SAK EMKM. For information needs for recording financial reports according to standards, MSME actors can fulfill them without having to take a formal education level but can be obtained from reading books or attending accounting training. Research conducted by Pardita et al., (2019) shows that understanding of accounting influences the implementation of SAK EMKM, meaning that the higher the level of understanding of accounting by MSME actors, the higher the application of SAK EMKM. Meanwhile, different results were shown by Setyaningsih and Farina (2021) that understanding of accounting has no effect on MSME financial reporting based on SAK EMKM. Furthermore, research on understanding information technology based on Hari Wicaksono and Lathifah (2018) shows that understanding information technology affects the application of SAK in SMEs, but this research is different from research by Putra and Widajantie (2021) that understanding information technology influences the application of SAK EMKM. From the results of the research found, it was concluded that MSMEs still did not make financial reports in accordance with financial accounting standards.

Research related to the implementation of Financial Accounting Standards (SAK) in micro, small and medium enterprises (MSMEs) has indeed been researched before. Departing from the background and motivation of each researcher, the topic of SAK implementation is indeed interesting to re-examine. Based on observations and surveys of MSME actors, currently the majority of MSMEs in Tangerang City have not implemented SAK EMKM in their financial reports. The constraints faced by MSME actors include the educational background of MSME owners or actors, the number of transactions owned by MSME, the time constraints owned by MSME actors, human resources who do not understand financial reporting and accounting software for MSMEs and the lack of socialization about SAK EMKM. Therefore, I am motivated to do research on this topic. Researchers are interested in making Tangerang City a research location, because based on a 2018 survey by the Office of Cooperatives and UMKM in Banten Province, the number of UMKM specifically spread across four cities in Banten province, Tangerang City is in the highest rank, namely the type of micro business of 633 units and 11,746 units are UMKM businesses in Tangerang City, one of the areas that has potential with strong competitiveness through its creative industry products. According to BPS Kota Tangerang in 2018, there was an economic growth rate of 5.92%. With the potential and relatively high contribution of MSMEs to the economy, it cannot be separated from constraints related to finance. According to Sulistiyowati et al., (2021), the financial reports of Small and Medium Enterprises (MSMEs) are still very simple, usually only recording transactions that often occur in MSMEs that do not understand Financial Accounting Standards (SAK).

Human Capital Theory

The Human Capital Theory developed by Becker (1965) argues that investment in human resources has a major influence on increasing productivity. This can be encouraged through education and training. This theory states that humans are a form of capital or capital goods and human resources have a major influence on increasing productivity, increasing productivity can be encouraged through education.

Theory of Planned Behavior

Theory of Planned Behavior (TPB) is a theory developed to predict behaviors that are not completely under individual control (Ajzen, 2005:34). Theory of Planned Behavior (TPB) explains that behavioral intention is not only influenced by attitudes towards behavior and subjective norms, but is also influenced by perceived behavioral control. Perceived behavioral control is influenced by past experiences and estimates from a person about whether or not it is difficult to perform a particular behavior. Based on the Theory of Planned Behavior, intention is a function of three factors, the first is personal, the second reflects social influences and the third is related to control issues (Ajzen, 2005:34).

The Unified Theory of Acceptance and Use of Technology (UTAUT)

UTAUT theory was developed by Venkatesh et al., (2011) by formulating four kinds of core determinants of intention and information technology users (SAK EMKM) with four moderators of key relationships. In an effort to understand the new information technology, the views of MSME actors on various forms of technology application in business life will be wider and can encourage the acceleration of the provision of accounting information in the form of financial reports in accordance with applicable standards. Information technology includes computers, software, databases, networks (internet, intranet) or other types related to accounting information technology.

Hypothesis Development

The Effect of Educational Background on the Implementation of SAK EMKM

The level of education is a factor that shows how much human capital a person has to drive the economic productivity of a company. The formal educational background of MSME actors can affect knowledge of accounting, higher accounting knowledge is especially obtained if someone is studying an accounting major (Anisykurlillah and Rezqika, 2019). Business actors who have a higher level of education will also have a higher level of understanding of SAK EMKM.

MSME owners and managers need proper education and training to compete in business (Karadag, 2017). Better education provides more knowledge to company owners and managers about various business practices that are useful for company performance. Kipsang and Mwangi (2017) show that education level significantly influences the accounting practices of small and micro enterprises in Kenya. A study by Etim et al., (2020) and Kahsay and Zeleke (2019) also concluded that education level significantly influences micro and small business accounting practices. The need for financial and management accounting information is influenced by the level of formal education of the owner/manager of the company in either micro, small or medium enterprises. This shows that the higher the level of education, the higher the implementation of SAK EMKM.

H₁: Educational background has a significant effect on the implementation of SAK EMKM

The Effect of Understanding of Accounting on the Implementation of SAK EMKM

Theory of planned behavior is a conceptual framework that aims to show the determination of certain behaviors that influence a person to take an action. Based on the concept of the theory of planned behavior, the relation to this research is that in a small or

medium sized business, MSMEs are required to prepare financial reports for their business, because it facilitates financial management. Factors that influence the intention to use SAK EMKM are accounting understanding. Having a good understanding of accounting starting from knowing the positioning of assets and liabilities contained in a business will make a business develop (Pardita et al., 2019).

Someone who has an understanding of accounting is able to understand and see how the bookkeeping system works to prepare fiscal summaries according to the relevant bookkeeping norms. The understanding of accounting that is touched on in this review is that MSME actors who have a good understanding of bookkeeping will see how the bookkeeping system occurs (Darmasari and Wahyuni, 2020). In the research of Mawardi et al., (2019), MSMEs' understanding of financial reports will support the financial implementation process. Understanding of accounting has a positive effect on the application of SAK EMKM. Salmiah et al., (2018) stated that MSME actors registered with the Pekanbaru City Cooperatives and MSME Office already understood that the components of the financial statements consisted of a statement of financial position, income statement, and notes to financial statements. The greater the understanding of MSMEs in compiling financial reports, the greater the application of SAK EMKM to MSMEs (Rismawandi et al., 2022).

H₂: Understanding of accounting has a significant effect on the implementation of SAK EMKM

The Effect of Understanding Information Technology on the Implementation of SAK EMKM

Based on UTAUT, it explains that effort expectancy is one of the important or determining factors in the use of information technology, namely how far individuals are aware of the ease of using information systems (Faizal et al., 2022). The importance of understanding information technology aims to adopt and utilize accounting information, because accounting information is used as a guide in making decisions, achieving efficiency and effectiveness of business activities. The more understanding of information technology, the wider the view of MSME owners on various forms of technology application in business life and will be able to accelerate the provision of accounting information.

Information technology is a driver of business continuity and plays an important role in a small, medium and large business venture. An information system can be defined as a series of interrelated components that collect or process, store, and distribute information to support decision making, coordination, monitoring, analysis, and visualization within an organization. The more you understand about an information technology, the wider the view of the form of technology application, and can accelerate the provision of accounting information in the form of financial reports.

H₃: Understanding of information technology has a significant effect on the implementation of SAK EMKM

The Effect of Environmental Uncertainty Moderating Educational Background on the Implementation of SAK EMKM

Environmental uncertainty moderates the influence of educational background on the implementation of SAK EMKM in MSMEs. Based on Hudha's research (2017) that environmental uncertainty moderates the relationship between the influence of education level on the use of accounting information for Small and Medium Enterprises in the City of Surabaya. This means that the presence of environmental uncertainty variables strengthens (moderates) this effect, especially with regard to environmental uncertainty regarding non-economic information such as: government regulations, market opportunities, business competition, and price predictions.

Environmental uncertainty is an important contingency factor because it can make planning and control processes more difficult. The higher the educational background of the MSME owners or actors, the faster it will be in predicting external environmental conditions that can affect their business operations (Anisykurlillah and Rezqika, 2019). In Human Capital Theory, there is high environmental uncertainty with high owner education, accounting information is needed to overcome the complexity of the environment (Milliken, 1987). So that environmental uncertainty will affect the relationship between educational background and the implementation of SAK EMKM in MSMEs.

H4: Environmental uncertainty moderates the effect of educational background on the implementation of SAK EMKM

The Effect of Environmental Uncertainty Moderating Accounting Understanding on the Implementation of SAK EMKM

In the Theory of Planned Behavior which represents an attitude toward behavior where an understanding of these financial statements is the basis for MSME actors to think rationally to think about the implications of the actions they take, namely applying the rules in SAK EMKM. Environmental uncertainty has been shown to moderate the effect of understanding accounting on the use of accounting information (Yasa et al., 2017). MSME owners or actors who have high accounting knowledge will have an impact on professionalism in their business management. Owners or actors who have accounting knowledge and experience environmental uncertainty will need accounting information to cope with changes that occur in their business environment.

Hudha (2017) revealed that environmental uncertainty moderates the effect of accounting knowledge on the use of accounting information for Small and Medium Enterprises (MSMEs) in Superior Village, Surabaya City. His research is supported by indicators, namely regarding non-economic information, namely government regulations, aspects of business competition, market opportunities, and price predictions. The organizational environment can cause uncertainty for SMEs. The uncertainty in question is a condition of inability that is felt by business actors and they cannot accurately predict the environmental conditions that have occurred. The existence of environmental uncertainty can moderate the relationship between MSME actors' understanding of accounting and the use of accounting information. Business owners who have high accounting knowledge and skills will be able to overcome conditions of environmental uncertainty that occur (Yolanda et al., 2020).

H5: Environmental uncertainty moderates the effect of understanding accounting on the implementation of SAK EMKM

The Influence of Environmental Uncertainty Moderates Understanding of Information Technology on the Implementation of SAK EMKM

UTAUT theory states that the expectation of effort (effort expectancy) is the extent to which the level of ease felt by individuals in using the system. The higher the understanding of information technology possessed by MSME actors, it will make it easier to overcome the uncertainties that arise and make a real contribution to the implementation of SAK EMKM for MSMEs. Then environmental uncertainty will affect the relationship between understanding of technology and the implementation of SAK EMKM in MSMEs. The use of technology in an organization can help employees complete tasks so that job performance can increase (Wandini and Budiasih, 2017).

Individual understanding is an understanding of his entire personality with all of his background and interactions with his environment. The better understanding of the technology applied by MSMEs will have an impact on creating effectiveness and efficiency in dealing with

environmental uncertainties faced by MSMEs to achieve business goals (Wandini and Budiasih, 2017). The use of technology begins with the perception of the benefits of the technology. Information technology, one example of a computer, can help speed up the work being done, using a computer will be more accurate and consistent in calculations than using a manual system. So that environmental uncertainty can affect the relationship between understanding of technology and the implementation of SAK EMKM in MSMEs.

H₆: Environmental uncertainty moderates the effect of understanding accounting on the implementation of SAK EMKM

RESEARCH METHOD

The type of research used is causality research. This study was designed to examine the effect of educational background, understanding of accounting, understanding of information technology on the implementation of SAK EMKM in MSMEs with environmental uncertainty as a moderation. The population used in this study were MSMEs that were recorded as valid and active in communication at the Indagkopukm Service, Tangerang City. Determining the number of samples from the population using the Slovin formula, so that the number of samples taken in this study were 99 respondents. The sampling technique used convenience sampling.

This study uses primary data obtained from questionnaires distributed via Google form to research respondents, namely MSMEs whose data are valid at the Indagkopukm Service, Tangerang City. The time for distributing the questionnaires was from December 2022 to January 2023. Questionnaires that were filled in and obtained from respondents were scored or graded using a Likert Scale 1-5. The number of questionnaires returned was 99 questionnaires or 100% of the number of questionnaires distributed. Test the quality of the data by assessing the outer model and inner model. The data analysis method used in this study is SEM analysis with a moderating effect.

RESULTS AND DISCUSSION

Respondent Description

Based on the data of respondents by gender, there were 16 men or 16.16% of the 99 respondents and 83 women or 83.83% of the 99 respondents. Meanwhile, based on the data of respondents aged between 21-30 years as many as 20 people (20%), the number of respondents aged 31-40 years was 43 people (43%), respondents aged 41-50 years were 31 people (31%), respondents who were >50 years were 5 people (5%). Based on respondents' last level of education, there were 2 junior high school students (2.02%), 35 high school/vocational high school students (35.35%), 18 diploma students (18.18%), 38 undergraduate students or (38, 38%) and S2 as many as 6 people (6.06%).

Descriptive Statistics

Table 1. Results of Descriptive Statistical Analysis

| Variable | Number Of Respondents | Min. | Max | Mean | Std. Deviation |
|---|-----------------------|------|-----|-------|----------------|
| Educational Background (X1) | 99 | 8 | 30 | 22.60 | 6.466427 |
| Understanding of Accounting (X2) | 99 | 9 | 30 | 21.58 | 6.167874 |
| Information Technology Understanding (X3) | 99 | 11 | 35 | 25.64 | 7.248440 |
| Environmental Uncertainty (Z) | 99 | 10 | 25 | 20.68 | 3.869895 |
| Implementation of SAK EMKM (Y) | 99 | 20 | 50 | 38.26 | 9.338953 |

Source: Data processing with Microsoft Excel Data Analysis

Each independent variable has good data quality because the average value shown is greater than the standard deviation value. The educational background variable has a minimum value of 8, a maximum value of 30, an average of 22.60 and a standard deviation of 6.466427. Furthermore, the accounting comprehension variable has a minimum value of 9, a maximum value of 30, an average of 21.58 and a standard deviation of 6.167874. Then, the information technology understanding variable has a minimum value of 11, a maximum value of 35, an average of 25.64 and a standard deviation of 7.24844.

Validity and Reliability Test

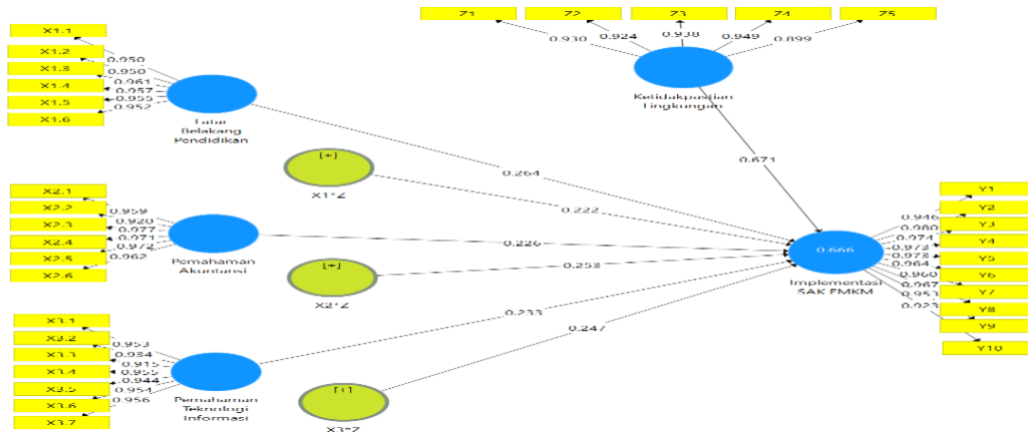


Figure 1. Research Loading Output

Based on testing the validity of the loading factor in Figure 1. it is known that all loading values are > 0.70, which means that they have fulfilled the validity requirements based on the loading value. The recommended AVE value is above 0.50 (Ghozali, 2021, p. 71). It is known that all AVE values are > 0.50, which means that they have met the validity requirements based on AVE

Table 2. Reliability Testing based on Cronbach's Alpha (CA)

| Variable | Cronbach's Alpha |
|---|------------------|
| Educational Background (X1) | 0.980 |
| Educational Background * Environmental Uncertainty (X1*Z) | 1.000 |
| Understanding of Accounting (X2) | 0.983 |
| Accounting Understanding * Environmental Uncertainty (X2*Z) | 1.000 |
| Information Technology Understanding (X3) | 0.980 |
| Information Technology Understanding * Environmental Uncertainty (X3*Z) | 1.000 |
| Implementation of SAK EMKM (Y) | 0.991 |
| Environmental Uncertainty (Z) | 0.960 |

Source: SmartPLS Outputs (2023)

Based on Table 2. it can be seen that the Cronbach's alpha value is > 0.70. It can be concluded that the construct has good reliability. This means that the instruments used in this study are consistent and will produce the same data when used for several tests on the same object. This explains that the questionnaire questions can be understood so that they do not cause differences in interpretation in the statement.

Table 3. R Square Value

| Variable | R Square | R Square Adjusted |
|--------------------------------|----------|-------------------|
| Implementation of SAK EMKM (Y) | 0.666 | 0.640 |

Source: SmartPLS Outputs (2023)

Based on Table 3. The R Square (R²) value of this study is 0.666 and the AdjustedR-Square (Adj-R²) value is 0.640. This means that the construct variable model of SAK EMKM implementation can be explained by the construct variables of educational background, understanding of accounting, understanding of information technology and environmental uncertainty moderating variables of 66.6%, while 33.4% is explained by other variables outside this research model.

Hypothesis Test Results

Table 4. Hypothesis Testing Results

| Variabel | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---|---------------------|-----------------|----------------------------|--------------------------|----------|
| Environmental Uncertainty => Implementation of SAK EMKM | 0.671 | 0.628 | 0.117 | 5.753 | 0.000 |
| Educational Background => Implementation of SAK EMKM | 0.264 | 0.248 | 0.106 | 2.492 | 0.013 |
| Understanding of Accounting => Implementation of SAK EMKM | 0.226 | 0.211 | 0.119 | 1.906 | 0.057 |
| Understanding of Information Technology => Implementation of SAK EMKM | 0.233 | 0.240 | 0.130 | 1.789 | 0.074 |
| Educational Background*Environmental Uncertainty => Implementation of SAK EMKM | 0.222 | 0.222 | 0.106 | 2.091 | 0.037 |
| Understanding of Accounting * Environmental Uncertainty => Implementation of SAK EMKM | 0.253 | 0.258 | 0.114 | 2.228 | 0.026 |
| Information Technology Understanding * Environmental Uncertainty => EMKM SAK Implementation | 0.247 | 0.228 | 0.123 | 2.007 | 0.045 |

Source: SmartPLS Outputs (2023)

The Effect of Educational Background on the Implementation of SAK EMKM

As presented in Table 4, the statistical value of the educational background variable is 2.492 or greater than t table 1.995 (2.492 > 1.995) with a significance level of 5% and P values of 0.013 (0.013 < 0.05). This shows a significant effect of educational background on the implementation of SAK EMKM. Based on the test results, it can be concluded that H1 of this study which states that "There is a significant influence of educational background on the implementation of SAK EMKM" is accepted.

The results of this study are in accordance with the concept of Human Capital Theory developed by Becker (1965) that investment in human resources has a major influence on increasing productivity, which is encouraged through education. This explains that a high educational background will make MSME financial reporting based on SAK EMKM even higher, because educational background can affect the accounting knowledge of MSME

owners. The results of this study are in line with the results of research conducted by Kusuma and Lutfiany (2018) that educational background influences the implementation of SAK EMKM for MSMEs in Bogor City.

Education has an effect on increasing the ability to absorb knowledge and skills. The success of a business owner also depends on his education and learning abilities in the business environment. This research is also in line with research conducted by Zelig et al (2020) that the level of education has a significant effect on the accounting practices of micro and small businesses in Ethiopia. His research states that with increasing levels of education managers, business owners, and employees become financially literate. This helps improve their ability to prepare, read, understand, and use accounting information for the business decisions they make.

The Effect of Understanding of Accounting on the Implementation of SAK EMKM

The results of testing the hypothesis are in Table 4. The statistical values show that the accounting comprehension variable is 1.906 or smaller than t table 1.995 ($1.906 < 1.995$) with a significance level of 5% and P values of 0.057 ($0.057 > 0.05$). This shows that there is no significant effect of understanding accounting on the implementation of SAK EMKM. Based on these tests, it can be concluded that H2 of this study which states that "There is a significant influence of accounting understanding on the implementation of SAK EMKM" is rejected. The results of this study do not support the second hypothesis, where there is no significant effect of understanding accounting on the implementation of SAK EMKM.

The results of this study are not in accordance with the concept of Theory of Planned Behavior which explains the attitude or behavior of a person that can influence him to take an action (Ajzen, 2005). A person's behavior is determined by his intention to behave. This explains that the variable understanding of accounting has no effect on financial reporting because MSME owners do not know and understand accounting and the benefits obtained when carrying out bookkeeping. This is due to the lack of competency of human resources in the financial sector and the lack of understanding of the preparation of financial reports according to standards. Incompetent human resources in the financial sector have an impact on low understanding of accounting and minimal information regarding the benefits that will be obtained by MSMEs if they carry out bookkeeping.

The results of this study are in contrast to research conducted by Wulandari et al (2020) and Pardita et al (2019) stating that the accounting understanding of MSME actors has a significant effect on the application of EMKM SAK, because if accounting understanding increases, the application of EMKM SAK will also increase. This research is in line with research conducted by Setyaningsih and Farina (2021) and Purnomo and Adyaksana (2021) that understanding accounting has no effect on the application of EMKM's SAK. Understanding of accounting can be used as a reference in presenting quality financial reports, if MSMEs in Tangerang City have a good understanding of accounting in compiling quality financial reports for the business they run, then the financial condition of MSMEs will be clearer and can be used as a basis for business owners to make decisions.

The Effect of Understanding Information Technology on the Implementation of SAK EMKM

The results of hypothesis testing are presented in Table 4. The statistical value of the information technology understanding variable is 1.789 or less than t table 1.995 ($1.789 < 1.995$) with a significance level of 5% and P values of 0.074 ($0.074 > 0.05$). This shows that there is no significant effect of understanding information technology on the implementation of SAK EMKM. Based on these tests, it can be concluded that H3 of this study which states

that "There is a significant influence of understanding information technology on the implementation of SAK EMKM" is rejected. The results of this study do not support the third hypothesis, where there is no significant effect of understanding information technology on the implementation of SAK EMKM.

The results of this study are not in accordance with the concept of the UTAUT theory, where one of the implications of the UTAUT theory is business expectations. The business expectation factor can be used, which is the process by which people become more comfortable with technological systems. In theory, MSME actors' understanding of technology will make it easier to do bookkeeping according to SAK EMKM. This is because accounting is a technology that can facilitate the work of compiling financial reports, of course when MSME actors understand technology, MSME actors tend to apply bookkeeping according to applicable accounting standards.

Understanding of information technology has no effect on the implementation of SAK EMKM. This condition occurs because information technology does not inspire MSMEs to realize the importance of SAK EMKM specifications. MSMEs do not understand the information technology used to prepare financial reports that are in accordance with SAK EMKM. They think that there is discomfort when using accounting information technology, even though the technology or accounting recording system was created to make it easier for MSMEs to process better and more accurate data. The results of this study support the research of Anisykurlillah and Rezqika (2019) and Sholihin et al (2020) that understanding information technology has no effect on the application of SAK EMKM. This research is in contrast to research conducted by Wicaksono and Lathifah (2018) that understanding information technology influences the implementation of SAK EMKM.

The Effect of Environmental Uncertainty Moderating Educational Background on the Implementation of SAK EMKM

The results of hypothesis testing are in Table 4. The statistical value of the variable environmental uncertainty moderating educational background is 2.091 or greater than t table 1.995 ($2.091 > 1.995$) with a significance level of 5% and P values of 0.037 ($0.037 < 0.05$). This shows that there is a significant influence of environmental uncertainty on moderating educational background on the implementation of SAK EMKM. Based on these test results, it can be concluded that H4 of this study which states that "There is a significant influence of environmental uncertainty moderating educational background on the implementation of SAK EMKM" is accepted.

The results of this study are in accordance with the concept of Human Capital Theory, that there is high environmental uncertainty with high owner education, accounting information is needed to overcome the complexity of the environment (Milliken, 1987). The education of MSME owners who are classified as low will make it more difficult for them to predict the conditions of environmental uncertainty that occur in their businesses. The moderating variable of environmental uncertainty in this study is supported by a third indicator, namely regarding information related to non-economic matters, including: government regulations, meaning that every time there is a change in government regulations, of course, the policies implemented will also change, such as during the Covid pandemic, which was difficult to predict. The results of this study are not in line with the research of Anisykurlillah and Rezqika (2019) and Wulandari et al (2020) that environmental uncertainty is not able to moderate the effect of educational background on the implementation of SAK EMKM. However, this research is in line with Hudha's research (2017) which states that environmental uncertainty moderates the effect of educational background on the implementation of SAK EMKM. The environmental

uncertainty variable is one of the predictors that moderates the effect of educational background on the implementation of SAK EMKM in Small and Medium Enterprises.

The Effect of Environmental Uncertainty Moderating Accounting Understanding on the Implementation of SAK EMKM

The results of hypothesis testing are in Table 4. The statistical value of the environmental uncertainty variable moderating accounting understanding is 2.228 or greater than t table 1.995 ($2.228 > 1.995$) with a significance level of 5% and P values of 0.026 ($0.026 < 0.05$). This shows that there is a significant influence of environmental uncertainty in moderating accounting understanding on the implementation of SAK EMKM. Based on these test results, it can be concluded that H5 of this study which states that "There is a significant influence of environmental uncertainty moderating accounting understanding on the implementation of SAK EMKM" is accepted.

The results of this study are consistent with the concept of Theory of Planned Behavior, where one of the implications of this theory is an attitude that represents an attitude toward behavior (Ajzen, 2005). An understanding of financial reports is the basis for MSME actors to think rationally to think about the implications of the actions they take. This means that the effect of understanding accounting on the implementation of SAK EMKM is strengthened by environmental uncertainty as a moderating variable. Owners or actors of Small and Medium Enterprises (MSMEs) who have accounting knowledge will have an impact on professionalism in the management of their companies. Owners of Small and Medium Enterprises (MSMEs) who have accounting knowledge and experience environmental uncertainty will need accounting information to cope with changes that occur in their business environment. So that in this study environmental uncertainty is able to moderate the effect of understanding accounting on the implementation of SAK EMKM. The results of this study support the research of Hudha (2017) and Yasa et al (2017) which state that environmental uncertainty moderates the effect of accounting knowledge on the use of accounting information in small and medium enterprises. However, this is not in line with research conducted by Wulandari et al (2020) that environmental uncertainty cannot moderate accounting understanding in the application of SAK EMKM.

The Influence of Environmental Uncertainty Moderates Understanding of Information Technology on the Implementation of SAK EMKM

The results of hypothesis testing are based on Table 4. The statistical value of the variable environmental uncertainty moderating understanding of information technology is 2.007 or greater than t table 1.995 ($2.007 > 1.995$) with a significance level of 5% and P values of 0.045 ($0.045 < 0.05$). This shows that there is a significant influence of environmental uncertainty in moderating the understanding of information technology on the implementation of SAK EMKM. Based on these test results, it can be concluded that H6 of this study which states that "There is a significant influence of environmental uncertainty moderating understanding of information technology on the implementation of SAK EMKM" is accepted.

The results of this study are in accordance with the UTAUT theory concept developed by Venkatesh et al., (2011) by formulating four types of core determinants, one of which is effort expectancy, namely the degree of ease felt by individuals in using the system. The higher the understanding of information technology, the easier it will be for MSME actors to overcome the uncertainties that arise and make a real contribution to the implementation of SAK EMKM. Current environmental uncertainty, such as during the Covid-19 pandemic, MSME actors must survive by reducing expenditure costs and controlling product stocks to maintain a balance between income and financial expenses so that there are no fluctuations in profit and loss items.

Understanding of information technology has an important role in efforts to encourage the process of implementing SAK in MSMEs. Based on the theory used, namely the Unified Theory of Acceptance and Use of Technology (UTAUT) states that the expectation of effort (effort expectancy) is the extent to which the level of ease felt by individuals in using the system. Efforts to understand information technology by making it easy for MSME players to use accounting software to implement SAK EMKM. This study states that environmental uncertainty moderates the effect of understanding information technology on the implementation of SAK EMKM so that it supports the UTAUT theory. The results of this study are not in line with research conducted by Anisykurlillah and Rezqika (2019) which states that environmental uncertainty cannot moderate the effect of understanding information technology on the application of SAK EMKM. In theory, the importance of understanding information technology aims to adopt and utilize accounting information, but in his research the environmental uncertainty factor could not be a motivating factor for respondents in applying SAK EMKM even though their understanding of technology was quite sufficient. However, this research is in line with research conducted by Yasa et al (2017) which states that the higher the understanding of information technology possessed by MSME actors, the easier it will be to overcome the uncertainties that arise and make a real contribution to the implementation of SAK EMKM for MSMEs. Then environmental uncertainty will affect the relationship between understanding of technology and the implementation of SAK EMKM in MSMEs.

CONCLUSION

Educational background has a significant effect on the implementation of SAK EMKM for MSMEs in the city of Tangerang. This means that the higher the educational background of MSME actors, the higher the MSME financial reporting based on SAK EMKM, because most MSME actors have a high educational background. A high level of education can increase the literacy of MSME owners. Understanding of accounting and understanding of information technology has no significant effect on the implementation of SAK EMKM for MSMEs in Tangerang City, so further research is needed to prove and develop this research. Environmental uncertainty has a significant effect in moderating the influence of educational background on the implementation of SAK EMKM for MSMEs in Tangerang City. This means that the education of MSME owners who are classified as high will make it easier for them to estimate environmental uncertainties that occur in their businesses, because MSME actors have adequate financial reporting. This means that owners or actors of Small and Medium Enterprises (MSMEs) who have accounting knowledge will be professional in their company management. MSMEs who experience environmental uncertainty will need accounting information to cope with changes that occur in their business environment. Environmental uncertainty has a significant effect in moderating the effect of understanding information technology on the implementation of SAK EMKM for MSMEs in Tangerang City. This means that MSME actors who experience environmental uncertainty must survive in their business activities. With an understanding of information technology, such as the use of accounting software, it will make it easier for MSME actors to implement SAK EMKM.

This research is only limited to the variables of educational background, understanding of accounting and understanding of information technology, while there are many other factors that influence the implementation of SAK EMKM in MSMEs. For further research, it is hoped that other indicators such as owner perceptions, income levels, SAK EMKM socialization and others can be used to expand the research results so that comparisons can be seen. MSME owners need to have their own motivation to be able to apply SAK EMKM in advancing their business activities. It is expected that the Tangerang City Indagkopumkm Service will be able

to socialize SAK EMKM regularly to help MSMEs understand SAK EMKM so that later they are able to apply financial reports in accordance with applicable accounting standards.

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