

THE INFLUENCE OF ACCOUNTING KNOWLEDGE AND NEED OF ACHEIVEMNT ON THE USE OF ACCOUNTING INFORMATION

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ABSTRACT---Students who are entrepreneurs in managing their businesses tend to use accounting information less. The lack of use of accounting information is due to poor accounting knowledge and the need of achievement from business actors. The study was conducted on students in the city of Bandung who have a business. This research is explanatory research with the unit of analysis is students in the city of Bandung who are entrepreneurs. The research sample of 111 students was obtained from GIMB and HIPMI PT Bandung city. The questionnaire was distributed using Google forms. The data collected is processed using the SPSS 16 for Windows program. The results showed that accounting knowledge and need of achievement were able to explain variations in the value of using accounting information.

Keywords---Accounting knowledge, need of achievement, the use of accounting information

I. Introduction

Small businesses in Indonesia have the obligation to maintain good accounting records. This obligation is implicit in Small Business Law No. 9 (1995) and in the taxation law. The government and accounting community such as Institute of Indonesia Chartered Accountants (IAI) stressed the need for recording and organizing accounting information for small businesses. However, the use of accounting information is still not widely used by small businesses (Peacock 1985, Suhairi 2004). Many studies have found that the cause of underuse of accounting is the lack of accounting knowledge. Holmes and Nicholls (1989) stated that the low of use of accounting information in small companies is due to the low accounting knowledge possessed by business actors. Previous study found the use of accounting information is influenced by accounting knowledge (Fitriyah, 2006, Christanti, 2009, Koswara, 2014), however, Astarani (2014) found the use of accounting information is not influenced by accounting knowledge.

Knowledge is only one aspect of individual characteristics that will be able to influence behavior; there are other aspects that are quite important to note that is one's personality. Entrepreneurs who have good personalities will always think positively and want the success and continuity of the business. They are more appreciative of the process and wish to have high achievements and can control their personal in every situation (Suhairi, 2004). This study uses the construct of need of achievement to see one's personality or motivation. Someone who wants to excel in business will certainly use accounting known as the language of business in managing their company. Research conducted by Rahman and McCoch (1976), Suhairi (2004) shows that the need of achievement influences the use of accounting information. Rahmawati and

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Anisykurlillah (2018) found that the use of accounting information is not influenced by work motivation. Previous studies regarding the use of accounting information with various variables show results that are still contradictory, so research in this field is still interesting to do.

II. LITERATURE REVIEW

This research uses the theory of organizational behavior as a basis to illustrate that factors that influence a person's behavior include individual characteristics. To understand a person's behavior, we must first know something about the person (Nelson and Quick, 2012). In this study, the characteristics of individuals are reflected in the form of their accounting knowledge and their need of achievement, while the use of accounting information refers to behavior.

Accounting knowledge

Knowledge is information that has been stored in memory (Libby 1995), while accounting is an information system that generates reports on economic activities and company conditions for interested parties. Accounting knowledge is all information that has been stored in a person's memory relating to systems that produce information about economic activities and company conditions. Accounting knowledge becomes important to be able to use accounting because it can help in assessing accounting information through information held about accounting. Knowledge could be divided into declarative and procedural knowledge. Declarative knowledge relates with a knowledge about facts and concepts in a certain domain (Anderson, 1982; Waller and Felix, 1984), while procedural knowledge relates with knowledge about carrying out work (Anderson 1987; Bonner and Penington, 1991; Waller and Felix, 1984). Based on previous discussion, it could be stated that the use of accounting information is influenced by accounting knowledge.

Need of Achievement

Need of achievement, abbreviated as *Nach*, is a motivational theory developed by MacLeland (1987). It is said that the need of achievement is related to individual issues in terms of excellence, competition, challenging goals, perseverance and overcoming difficulties. Setting difficult goals and making risky decisions is often done by those who have a high need of achievement (Griffin and Moorhead, 2014). Someone who has a high need of achievement has several characteristics, they are innovative, want feedback, have personal responsibility for work, are persistent and like difficult tasks and challenge MacLeland (1987). Someone with a high need of achievement has a better performance than those who have a moderate or low need of achievement, they like feedbacks regarding the progress of achieving their goals, feedback in a firm can be obtained from the use of accounting information. Research conducted by Sugeng Riyadi and Riswandi (2016), Dwi lestanti, 2015. Therefore, the use accounting information is influenced by need of achievement.

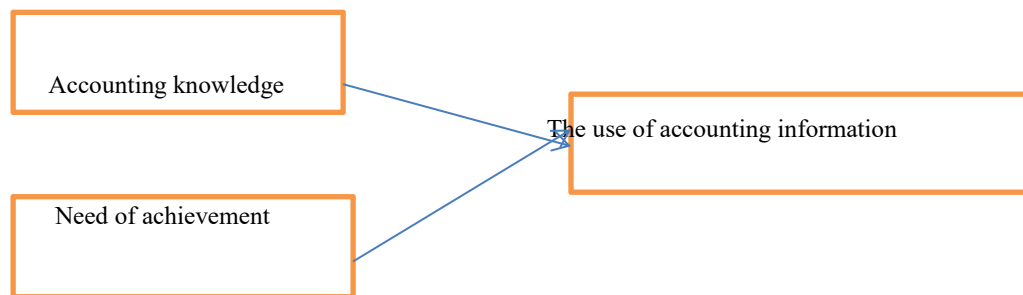
The use of accounting information

Basically, accounting information is financial information in nature, and is mainly used for the purpose of decision making, supervision and implementation of the decision (Arnold and Hope, 1990 in Grace, 2003). Belkaui (2000) states that accounting information is quantitative information that can be either financial or non-financial about economic entities

those are useful for economic decision making. Holmes (1989) said that a small company that has little accounting information is very dangerous, because it cannot make decisions correctly and will ultimately lead to failure.

Accounting information can be grouped into operating information, financial accounting information and management accounting information. Operational information is information that comes from day to day operations that will be used as a basis for producing financial accounting information and management accounting information. Financial accounting information is used for external parties, while management accounting information is used to support management in carrying out their responsibilities. Holmes and Nichols (1989) developed a grouping of accounting information into Statutory accounting information, Budgetary information, and additional accounting information. Previous research found that the use of accounting information was influenced by several factors including accounting knowledge, corporate culture, and perceptions of accounting benefits (Rachmawati and Anisykurlillah, 2018) Research conducted by Dwi Lestanti (2015) found there was a positive influence of accounting knowledge, business experience, and work motivation together on the perception of using accounting information at MSME in Boyolali.

Here is a research work frame



Based on the description above, it can be stated that the use of accounting information is influenced by accounting knowledge and need of achievement.

III. METHOD

This research is explanatory with population is the students in the city of Bandung who are entrepreneurs. The sample is determined by non-probability sampling, that is purposive sampling. The construct of accounting knowledge will be measured using an instrument developed by Spliker (1995), Bonner and Walker (1994) which consists of two dimensions namely declarative knowledge and procedural knowledge with eight questions. The construct of need of achievement is measured by a questionnaire developed by Steers and Braunstein (1976), which consists of five questions. The use of accounting information is measured by a questionnaire developed by Holmes and Nichols (1898) which consists of the number of uses and the importance of using accounting information, both of which are reflected in the dimensions of Statutory accounting information, Budgetary information, and additional accounting information. The collected data will be processed using SPSS software. The statistical technique used is multiple regression analysis.

IV. RESEARCH RESULT

There were 111 student entrepreneurs who were willing to fill out the questionnaire. The number has met the criteria in purposive sampling that researchers have planned, then the sample in this study amounted to 111 students. They consisted of 34.2% men and 65.8% women, who came from 17 universities in the city of Bandung and included 27 majors which were dominated by accounting and management majors. 37.8% of entrepreneurs have a physical shop and the rest try online. The student entrepreneur 34.5% has a monthly income of between Rp1.000.000 and Rp5.000.000.

The results of the validity and reliability test using the SPSS 16 for window program show, that the three instruments used to measure the variable need of achievement, accounting knowledge, and the use of accounting information are valid, indicating that the R count of all items is greater than the R table of 0.159 . All three instruments show reliable, which can be seen from the reliability coefficient greater than 0.6

Descriptive results for the accounting knowledge variable indicate that, entrepreneurial students have low accounting knowledge even though the concept is sufficient to understand as shown in the following table

Table 1: Description of Accounting Knowledge

No	Indicators	Total score	Average of Indicator	category
1	Declarative knowledge	395	0.44	High enough
2	Procedural knowledge	130	0.17	Very low
Grand Mean		525	0.30	low

This study found that student entrepreneurs in the city of Bandung have a high Need of achievement; Table 2 below shows the condition of the high need of achievement.

Table 2: Description of need of achievement

No	Indicators	Total score	Average of Indicator	category
1	Need of achievement	2747	4.95	high

The results of the description indicate that student entrepreneurs in the city of Bandung showed different conditions regarding the many uses of accounting information and the importance of accounting information, which can be seen in the table below.

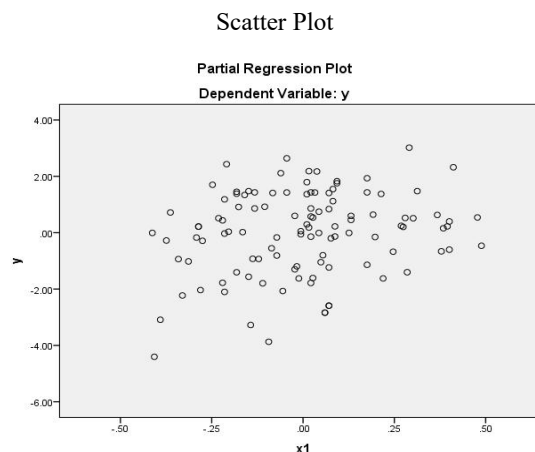
Table 3: Description of The use Accounting Information

No	Indicator	statement	Many uses	The importance of use
1	Statuary information	Balance sheet	3.16	4.79
		Income statement	3.88	5.19
		cash flow statement	3.57	5.14
2	Budged Information	Profit and loss budged	3.27	4.96

		Cash flow budgeted	3.08	4.86
3	Additional information	Production cost	3.39	5.14
		Financial ratio	2.82	4.81
Grand Mean			3.31	4.99

The grand mean of the statement regarding the many uses of accounting information is 3.31; it shows that students who are in entrepreneurship are in the category of quite a lot using accounting information. While the grand mean of the importance of using accounting information at 4.99 shows that entrepreneur feel that the use of accounting information is important.

The classic assumption test results show that the data are spread normally which can be shown by the Kolmogorov-Smirnov probability test for accounting knowledge variables, need of achievement, and the use of accounting information respectively 0.194, 0.553, and 0.321, meaning that it is greater from an error rate of 5% (0.05). The multicollinearity test shows that the tolerance value of each independent variable is more than 0.10 and the VIF value of each independent variable is no more than 10. So it can be stated that there is no problem of multicollinearity between the independent variables in the regression model. Scatter plot graph shows that the data obtained is spread irregularly and does not form a certain pattern. This condition shows that the residual variance in the data is homoscedasticity.



Hypothesis testing can be seen from the results of the coefficient of determination test, the value of the adjusted R-Square obtained is 12.7%. This figure shows that the variation in the value of the use of accounting information is contributed by variations in the value of accounting knowledge and the need of achievement by 12.7 percent. The rest of that is equal to $100\% - 12.7\% = 87.3\%$ is the influence of other variables not examined in this study. F test results show that the probability value is 0.00 which means the model built in the study is acceptable and can be used to predict. T test results indicate that each independent variable, namely accounting knowledge and need of achievement have a probability of 0.028 and 0.001 smaller than 0.05, with a standardized coefficient beta of 0.200 and 0.296, which means that both accounting knowledge and need of achievement influence the use of accounting information

DIDCUSSION

Knowledge of students who are entrepreneurial in terms of declarative knowledge is quite good, although for investment knowledge and financial projections are poor. His procedural knowledge is poor due to lack of experience in business and training. These students who are entrepreneurs, even though their accounting knowledge as a whole are low but have a high need of achievement. The results show that accounting knowledge is able to explain variations in the value of using accounting information. Someone with good knowledge about accounting will be able to choose the type of accounting information that is relevant to support their activities. The findings of this study support previous research conducted by Holmes and Nicholls (1988; 1989) Suhairi (2004), Christina (2010), and Rahmawati and Anisykurlillah (2018).

The results of this study also found that Need of achievement was able to explain variations in the value of using accounting information. These findings are consistent with the statements of Harackiewicz, Barron, Carter, Lehto, & Elliot, 1997 that the desire to achieve goals can affect the way a person performs his duties and reflects his desire to show his competence. The findings of this study are supported the previous study conducted by Sugeng Riyadi and Riswandi (2016), Dwi Lestanti, 2015.

This study found that accounting knowledge and the need of achievement can explain variations in the value of using accounting information. This study supports previous studies conducted by Suhairi, Yahya, and Haron (2004) and Christanti (2009). Therefore, if someone does entrepreneurship and wants to be successful, it is need to use accounting information as a basis for decision making. Using accounting information correctly requires accounting knowledge and also requires an increased need for achievement

V. CONCLUSIONS AND RECOMMENDATIONS

The results found that:

1. The used of accounting information is influenced by accounting knowledge. This means that increasing accounting knowledge will increase the ability to use accounting information
2. The use of accounting information is influenced by need of achievement. This means that the increased need of achievement will increase the amount of use of accounting information and will further increase the importance of using accounting information.
3. The use of accounting information is affected by accounting knowledge and need of achievement. It shows that the increase in the use of accounting information is due to the increase in accounting knowledge coupled with the increasing need of achievement.

Accounting information is a track record of all economic activities in a company, this information is very important as a basis for decision making. Therefore an entrepreneur who wants to succeed should use accounting information in each of his/her activities. The use of accounting information will be according to the needs of users, needed an increase in accounting knowledge, but it also needs an increase in terms of need of achievement from users of accounting information. The results also show that there are still many other factors that have not been included in the research. It is better if the next research considers other individual factors such as attitude, values and ethics, or can also consider contingency factors such as information technology,

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