

Increasing MSMEs Performance by Utilization of Accounting Software

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Abstract: National MSMEs currently have an important role in the Indonesian economy. Its growing number makes competition even tougher. The problem with the financial management of MSMEs is that the majority of MSMEs still use financial management traditionally, meaning the accounting information system is still not implemented. The reason it is not used by this accounting system is that in addition to assuming the accounting system is a complicated problem, using accounting services is also considered a waste because it requires not a little funds. On the other hand, with the rapid development of information technology, MSMEs businesses are also required to keep up to date with that development. Therefore, to improve business performance, MSMEs businesses must be able to adapt to technological developments. One of the necessary digitization processes in MSMEs business is the preparation and management of financial statements using accounting software. This is because the company's accounting process is an important activity for the smooth running of a business. The assessment of an MSMEs business can be smooth or can not be known from how the accounting report is drafted. In addition, from financial statements and accounting processes the company can be known that the company is in good health or not. The solution to this problem is with the use and utilization of accounting software, because in addition to its easy application, it is also quite cheap.

Keywords: Accounting, Accounting software; Performance; MSMEs

1 Introduction

Manuscripts one of the most common reasons when MSMEs go out of business is a mistake in the financial management process. It proves that financial management is important if the business wants to keep running. Errors that occur in the process of recording financial statements sometimes have a huge impact on the entire business. For example, such as the mistake of calculating profit and loss, which results in MSMEs actors not realizing that the amount of debt turns out to be higher than the amount of profit. These mistakes can actually be solved by using accounting software, so that the adverse impact on MSMEs business can be anticipated. By using accounting software, MSMEs owners can evaluate performance results with the data attached to the accounting software. Besides being able to know the details of money in and out, they also become highly competitive and can leave competitors who are not aware of the importance of accounting. If not applied as quickly as possible, then the MSMEs actors may be out of competition, because the amount of profits and losses of the company is not recorded with the correct structure. Accounting software is a program that can help businesses to compile cash flow and calculate income-expenses practically without having to understand about accounting.

The accounting process of the company is a very important thing for the smooth running of a business. The assessment of a MSME business is said to be smooth or not, it can be known from how the preparation of business accounting report. In addition, from the financial statements in the accounting process of the company can be known whether the company is in good health or not.

In terminology, financial and accounting information is very closely related. Financial information or often known as accounting information is information yang provided by the accounting system yang made by accountants. This information is usually represented in the form of financial statements, such as income statements and balance sheets. This information also includes all the financial ratios generated from these financial statements. Meanwhile, accounting itself is essentially the measurement, decomposition, and communication of financial information from economic entities. Although there are various definitions of accounting that have been put forward by experts, the term accounting is often likened to financial reporting. Accounting itself can also be seen as a financial information system. Warren, et al [1] argue that accounting can be defined as an information system because it processes and processes data yang where information as *input* yang *produces output* in the form of information from accounting yang can be used by interested parties yang, be it yang comes from internal or external yang aims to know the financial activities and performance of a business. Furthermore, Romney and Steinbart [2] more clearly define the accounting information system specifically as a system yang collect, record, stores and process data in order to produce information yang useful for decision makers.

This study aims to discuss and study the effect of accounting software on MSME work performance which includes: profit calculation, transaction recording, and financial statements.

2 Methods

This study uses descriptive approach as a method in which we describe conditions based on the facts. Theoretically, descriptive method is an approach that tries to seek solutions from existing problems. We present, analyze, and interpret the data, and then we conclude and provide recommendations.

3 Result and Discussion

To ensure the success of financial management yang good, owners and managers of MSMEs need to be more oriented strategically and this requires improvement in financial information management yang can open greater business opportunities yang. In this context, the assistance of information technology in the form of Computerized Accounting System or CAS. CAS is very necessary. Gorton [3] found that yang companies make financial planning when starting a business and use CAS is likely to have a high probability to grow better. These findings are supported by other research, such as Smith [4] found that the use of information technology will improve the company's performance in the rate of return on capital and sales per car cloud yang higher. Similarly, Reid and Smith [5] believe information processing played an important role for the success of the company. Furthermore, because the growth of MSMEs has an impact on increasing financial challenge yang faced by the company, McMahon [6] argues that there is a great need to give

attention yang carefully to financial management and financial reporting if MSMESs yang grow want to succeed well and progress. He continued concluded that the improvement of supervision and financial management in MSMESs growing should start from improving the quality of yang significant from the financial reporting system.

In Indonesia, several studies on MSMEs also indicated similar problems with occurred in many other countries [7]. Similar to previous studies, Iriyanti and Azis [8] found that in addition to business competition and high energy prices, financial access is one of the main obstacles of ten problems faced by MSMESs in six regions in Java Island (Jakarta, Banten, West Java, Central Java, Yogyakarta, and East Java). In more than 180 researched MSMESs, 62% consider the lack of capital as caused by slow business growth. The respondents argued that financial institutions do not favor them, because there is a lot of difficulty when they try to apply for credit from banks due to the complexity of prerequisites that can not be met by MSMESs. Therefore, it is necessary to improve the provision of information, especially finance in accordance with *accounting standards and financial auditing (auditing)* that can facilitate the MSMESs access to financing.

To meet the needs of MSME business owners in Indonesia, accounting software needs to meet established standards. These standards not only facilitate the accounting process, but also help companies to comply with the applicable regulations in Indonesia. For example, for companies engaged in sharia transactions, the standards set are different from other accounting systems. So to be able to manage the accounting of companies with sharia transactions required accounting software that meets the Indonesian accounting system. Broadly speaking accounting software has the understanding of computer programs that serve to facilitate the recording of transactions and other accounting activities. Forms of accounting activities are various financial related records, such as debt receivables, capital, assets, costs, and so on. The recording is also inseparable from the activities of making invoices, compiling financial statements, asset management, stock management of goods, and reconciliation of goods. Through computer accounting program, all these activities can be completed easily. In the absence of an accounting program, business owners and financial managers will spend a lot of time making financial statements and the like.

Before there was accounting software, all tasks related to finance and accounting were done manually. Record sales transactions, send invoices, up to the calculation and creation of financial statements. The company's finance department must enter the data carefully one by one to prevent errors from occurred.

From the results of several studies obtained the application of accounting software in MSME businesses provides the benefits:

- a. Work on financial statements can be done in a short time. Keep in mind that financial statements are a crucial aspect for the company.
- b. Errors in the work of financial statements will result in losses to the company. Through accounting programs whose systems run automatically, errors caused by human error can be minimized.
- c. If something happens, it is only required to correct the inputted data, and there is no need to repeat the entire calculation process from the beginning. In time and energy of course this is more effective.
- d. When all accounting-related work runs automatically, it will improve the productivity and performance of the company. This means that employees no longer need to do administrative work so that they focus more on strategic work.

- e. Accounting software is able to support the decisions that will be taken by the company. This is because all data stored in the computer system can be used as supporting data.

4 Conclusion

From the above discussion, it can be concluded that the role of accounting software is very important for the advancement of MSMEs business, especially in increasingly tight competition conditions. There is almost no negative effect on the company from the use of this accounting software, so there is no risk whatsoever to be used in MSMEs companies. However, from several types of accounting software that are currently widely offered, MSMEs businesses need to carefully choose the software to suit the needs in their companies.

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Writing Literacy to Accelerate Student's Interior Design Innovations for New Normal

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Abstract. The Covid 19 Pandemy has impact nearly all aspects of life, including education. While social interaction are being limited and most of activities are done from home, interior designers are still have to do their main job, which is to create a built environment according to current human needs. The availability of internet as a source of vast information help designers to keep up to date with the the newest issues. Writing literacy become imperative as designers need to constantly create design solutions based on multidisiplin researches. However writing literacy needs to form as a habit since the undergraduate curriculum. This paper discuss the undergraduate students design process which very dependent on writing literacy as a part of design method. The result of this paper are expected to be a reference for teaching and learning approach of similar courses.

Keyword: Innovations; Interior Design; New Normal; Writing Literacy

1 Introduction

Interior designers work to create built environments that facilitates human activity such as living, working, studying, recreation, etc. It is an interior designers main role to have awareness to what is needed to be accomodates into the design. As it is a response to the needs, either it is cultural, functional, aesthetical etc. Not only because we spend our lives mostly indoors “it is due to the fact that interiors surround us. We do not merely pass them on the street; we inhabit them.. we become its content” [1]

Himpunan Desainer Interior Indonesia (HDII) or The Associaton of Indonesian Interior Designer is a professional organisation of Indonesian Interior Designer. It is a member of Interaction Federation of Interior Designer/Architects (IFI) in 1985, therefore HDII referring to IFI as in defining a professional interior architect/ designer which are stated in www.ifeworld.org as qualified, by education, experience and applied skills, accept the following responsibilities:

- a. Identify, research and creatively solve problems pertaining to the function and quality of the interior environment
- b. Perform services relating to interior spaces including programming, design analysis, space planning, aesthetics and inspection of work on site, using specialized knowledge of interior construction, building systems and components, building regulations, equipment, materials and furnishings
- c. Prepare schematics, drawings and documents relating to the design of interior space in order to enhance the quality of life and protect the health, safety, welfare and environment of the public

As stated above it is clear that an interior designer needs to enhance the quality of human life and in the process needs to identify, research and creatively solve problems. Designers

mostly communicate through visual media and find it difficult to verbalize design as design process is intuitive and non-conscious. However, Robert Haddad in his journal emphasize on the fact that current clients also demand for a well researched designer [2], to ensure the success of the design outcomes. Hence writing literacy is a must and should be installed as a habit for interior design students.

The development of technology, internet and social media contribute to the escalation of changes in human activity which impact the change of human culture. For example: The latest is the appearing of online driver service applications which indulge public with personal services range from car driver, food buying and delivery service, groceries shopping, etc. The application is very successful because it helped many people finding job or additional income. Hence, many interior buildings is replanned to specially cater the online drivers. [3]. This changes, forced lecturers to adjust studio or project task and specifications. Formal interior design references book and researches has yet to catch up, hence students are guided to do independent research based on blogs, article or visual information to define the reference to which they develop their design.

Another sudden change in human's activity is the appearance of Covid 19 pandemy which change the way people live, work and interact with each other. Interior design could not be change in a fast manner. Change in interior have a costly implications as it related to change in interior elements like furniture, surfaces, sirulation, etc. Pandemy also force people to work in online manner, which limits movement to minimize human interactions.

This condition also poses a chalenge to the students as part of their reference collecting process is to do comparative study. However the pandemy limits their surveying activities, while at the same time they have to be able to design according to the "New Normal" habit which eventually leads to change in culture. On the positive side this condition allows adaptation in which students needs to hone their writing literacy as a reference to create a design that better answer problems.

2 Writing Literacy in Student Design Thinking for New Normal Design Ideation

As indicated by the course name, in Trend and Material Management Course students are taught how an architect and interior designer, designed something that becomes a trend or architectural/ interior design style. Students are also given a task practice a general design thinking process, which includes analytic and creative process, to present innovation design concept for New Normal.

This course is also part of the Kampus Merdeka – Merdeka Belajar (Independent Campus – Independent Learning) program which is followed by students from other universities in other cities who are interested in taking this course. Hence the writing literacy is also important to achieve a uniform approach in developing design as different cities with different development might not have the same of interior design development which are challenging for comparative study.

Students are given three stages to work on their writing literacy process which includes looking for both academic and non-academic resources like online paper research, online books, online articles, online products information from certain brand, etc (students are encouraged to reference articles which include author name and publication date).

The three stages are:

- a. Researching on former design that address society needs (especially past design that answer pandemic or health problem)

- b. Researching multidiscipline invention both knowledge or product regarding to Covid 19 prevention or pandemic related issues (for example school or work from home activities problems)
 - c. Researching ideas or product that could be used to create Innovation Design Concept for New Normal
- In all three stages students are asked to share their writing and designing process in Google Slide as a process to inspire each other.

2.1 Researching on Former Architecture and Interior Design that Address Society Needs

Most of interior design students think designer is the same as fashion design. Trend available mostly in color or magazine to reflect the change in society preferences. However in the real world seldom house or offices change their interior elements in regards to trend. Since interior is a place where people live and work for a certain amount of time, hence they tend to choose interior element according to their personal liking. Even in commercial spaces.

Hence in the Trend and Material Management course students are explained that the style in history is actually in answer to the culture needs at the time whether it is religion or culture.

The students are given task to do online research and to find interior or architecture related designs that is intended to address pandemic, health or life quality issues in the past time. The students then discuss several findings which related to the spread of tuberculosis pandemic in the 19th Century. History stated that Modernist or Modern Movement is influenced by architect/designer address to tuberculosis issues at the time [4]. Alvar Aalto and Le Corbusier are famous architects who design both buildings, interior design elements includes furniture with initial intention to address the increasing of health quality but also becomes iconic design of the modern day.



Picture 1. Alvar Aalto's Paimio Chair (1930's), which were invented to ease the seating activities of tuberculosis patients become one of design icon. The chair is made with wood bending technology (source: <https://www.moma.org/collection/works/92879>)

Some of house products which we take for granted like white kitchen tiles is developed to help prevent the spread of infection so dirt or germs could easily be spotted and cleaned. Even the house designed at the time includes sleeping porches for people to be exposed to the sunlight which could kill viruses, the creation of closets to organize clothes and goods better and to help clean the room easier, and the availability of powder room for to be used by guest and separate them to use family bathroom and spread germs. [5].

With this findings students having and insight of how former designers are able to create a creative design that becomes a trend based on their professional effort in increasing life quality.

2.2 Researching Multidiscipline Inventions

Design Inspirations is done through researching inventions that already being developed such as the developing of Ultraviolet Box to conserve respirators that is being re-use by healthcare worker in India do to shortness of personal protective equipment (PPE) [6]

Interior product manufacturers itself already developed several office products that address long distancing and the spread of germs in the workplace [7]. Food and Beverage industries also installed acrylic table shields to protect customers eating in eateries amongst other safety regulation. [8] The aesthetic aspect of course becomes a design challenge. The students use this as a reference for their idea conceptual development.

Some students also paying attention to the work/school from home activities [9]. As working or studying at home which mingle with household activities and ambience could affect the focus and attitude needed for working or studying. Designers has putting effort in keeping wellness also have to be considered by balance studying or working at home with by sports activities which could still be incorporated indoors [10]

2.3 Researching ideas or product that could be use to create Innovation Design Concept for New Normal

Students develop conceptual design along by researching available products or knowledge. Research has shown that corona virus could live around 3 hours in air although it weakened it's capability to infect. It could also live for 3 days in surfaces like plastic and steel but it last no more than 24 hours on card boxes [11] which being an important consideration since people on homestays interacts more with card boxes while handling food or goods sending to their homes.

Some of the their findings are incorporate into the design innovations are the evidence that natural UVC light from the sun could kill corona virus and man made UVC light could be used to disinfect surfaces, air and liquids [12], A box could be formed with timer based UV light exposure to disinfects goods inside. [13]

Antibacterial High Pressure Laminated Product [14] could be used to line furniture surfaces. Nanotech technology also being developed to impregnate textile with zinc, silver and graphite which are viral inhibitor. Textile it is going to be used for mask and robes [15], but of course could be expand to be installed on other interior elements. While the use of constructed barrier in form of transparent acrylic window is a preferable choice as it still enable visual and safety better than using breakable glass. [16]

As for work or school from home activities, several students do research on tools or equipment to develop equipments especially for children who needs a creative studying tools to support their various activity [17] while on the same time considering safety [18].

3 Conceptual Design Development

Students summarize their findings in writing and write their conceptual idea while generating the design in visual presentations. The design itself could also be upscaling existing ideas or product either with a more complete capabilities or better aesthetic. Their ideas resulted in three design categorize which are: disinfectant facilities, public facilities and work/school from home facilities. Some of the conceptual ideas are shown as follow.



Picture 2 - 4. Disinfectant Equipments: UV box to disinfect delivery packages (conceptual design by Andre Christian Wydiadhana), Mobile Phone and Watch disinfectan box which also incorporate wireless charger for mobile phone (conceptual design by Andy Lunarto), New Normal Mat (conceptual design by Albert Nathaniel



Picture 5 - 7. Public Equipments: Public Seat and Bag Disinfectan (conceptual design by Surya Dharma Winata), New Normal Cinema Seat (conceptual design by Siti Hidayatul Mukharima), New Normal Office Table Design (conceptual design by Trifandy)



Picture 8 & 9. Work/ School From Home Facilities: Multipurpose Kids Learning Table (conceptual design by Veronica Anastasha), Push Pull Whiteboard (conceptual design by Tasha Velasca)

The conceptual ideas are being disseminated by students in ASEDAS 2021, International Digital Art Exhibition, a curated virtual exhibition. The dissemination is hoped to give inspirations to others and escalate the development of interior design elements in New

Normal. At the time of this writing there are no information yet of which conceptual design are accepted

4 Conclusion

Writing literacy are needed by interior designer in a world where human activities and culture are changing faster. Interior designer has to embrace multidiscipline knowledge more than ever and design thinking based on writing literacy becomes imperative and has to be practiced since undergraduate education.

Usually comparative studies or visual information provide as a main reference for creating a design. However writing literacy could give a better design result, especially under circumstances where rapid changes resulted in a condition where products or ideas might not be created yet. Hence, by doing research in multidiscipline fields students, and eventually interior designer, could gathering information and inspiration that could be use in conceiving innovation ideas as being shown in this course.

The students are able to create conceptual ideas for New Normal interior design elements, especially furniture design, which are being disseminate in International Exhibition to inspire others.

More studies are needed to develop a more practical methodologies to support design process which will resulted in better interior design outcomes.

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