Software Development Point of Sales (POS) and accounting reporting for SMEs Restaurant

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Abstract
This study is to determine how financial recording systems and procedures carried out by SMEs Restaurant in Depok West Java, ranging from record keeping, financial statements, and feasibility assessment. TQM can be used as an approach to doing business that attempts to maximize the competitiveness of the organization through continuous improvement. By knowing and understanding the needs of financial management that really fit with the desire and ability to use computer-based accounting application, it will be a very important input for the development of an existing application that has been built by researchers and a major part of this research. With POS applications and generates complete accounting of this study, it is expected that the management of the SMEs become more optimal and increasing its contribution and become a mainstay of the sector to the Indonesian economy. The results stated that the POS application needed by SMEs to facilitate the work, and can give satisfaction to the consumer because the employee can provide fast service for consumers.

Keyword: POS, TQM, SMEs, Accounting, Reporting

1. INTRODUCTION

Contribution of SMEs to the economy of Indonesia was instrumental. Similarly, the labor absorption. The accomplishments achieved by the management of SME businesses that have not been fully optimized, especially in financial management. SMEs are still many who do not have financial management systems. A huge potential when the awareness of the need for financial management of SMEs is good and right, can be grown among SMEs. In addition to improving the performance of its business, is also a good start when the SME intends to apply the funds to banks and other funding sources, which usually requires financial reporting.

Various limitations inherent in SMEs, particularly from the aspect of its resources. Need to find a way out for financial management that can be easily applied in the scale of SMEs. In general, Small and Medium Enterprises (SMEs) still use a simple accounting system and have not been able to provide financial statements in accordance with the standards of national banks. This was revealed after researchers conducted a community
service activities that have been funded by the Higher Education in the mono scheme in 2012 under the title Science and Technology for Society (IBM) restaurant in Depok - West Java, involving 2 restaurants namely "Soto Ngawi" and "Nasi Pecel Madiun Mbak Ira". Manual report made by both the restaurant is still very simple. Manual report only include revenues and expenses without details.

Total Quality Management (TQM) is an approach to systematically improve the quality by using many dimensions and has been widely applied by many companies with the aim of improving performance such as quality, productivity, and profitability. TQM seeks to maximize the competitiveness of organizations through a focus on customer satisfaction, involvement of all employees, and continuous improvement of the quality of products, services, people, processes and organizational environment (Krajewski and Ritzman, 2006). TQM implementation also had a positive impact on production costs and to revenue (Gasperz, 2005). Companies that pursue best practice TQM can achieve higher profits and shareholder value as well cashflownya greater (Corbett and Rastrick, 2000). One of the factors that must be considered in order to increase revenue is to pay attention to the performance. Performance measurement is an important activity for management in order to achieve optimal business performance (Demirbag et al. 2006). In general, performance is defined as the extent to which an operation meets the performance objectives, and major steps in order to meet customer needs.

Based on the observation that has been done, the two restaurants are the object of research is not done due to some accounting records: 1) businesses that they run a family business and not so great it is not necessary accounting record. 2) Lack of knowledge or skills of the labor associated with accounting. 3) Do not have experts in the field of accounting. 4) Funds used for business often mixed with its own funds, or directly used to buy goods without accounting was done first. 5) Accounting deemed too complicated, given the time that has been consumed there for work, so it is very difficult to set aside time to prepare the accounting. 6) The activity is still limited so that their income is not fixed.

These factors arise because Restaurant "Nasi Pecel Madiun Mbak Ira" and Restaurant "Soto Ngawi" have not maximizing the use of computers to accounting records. Restaurant "Nasi Pecel Madiun Mbak Ira" are still using Microsoft Word which is a word processing program that is clearly not the accounting software, and even then only if the credit will apply to the bank. While at Restaurant "Soto Ngawi", still only written by hand using a folio book. Accounting software on the market today are still considered to be too complicated usage, and not specific to their needs. The entire above problems would be solved if both these
restaurants do the accounting records by making use of an application program designed specifically for restaurants. Accounting software that is easy to use, will be of much help in the management of their businesses, the need for fund management and financial reporting will be easily obtained. With the development of companies, recording more quickly and accurately will be highly needed. The manual report was done at this time may not seem complicated because the transactions is not too much, but along with the advancement of the business, the restaurants also need in conducting financial management, therefore, the use of accounting software becomes very important to be organized.

2. STATE OF THE ART

Small businesses remain an important part of the business environment (Holmes & Nicholls, 1988; Norwell, 1998; Mitchell, Reid & Smith, 1998). Mitchell, Reid & Smith (1998), emphasizes the importance of accounting for the company, stating that the use of information accounting is closely related to the success or failure of an SME. empirical study conducted by Demirbag et al. (2006) who identify the factors critical to the success of TQM in SMEs in Turkey, the results suggest that there are seven critical success factors (CSF) practice TQM, namely the data and reporting quality, the role of top management, employee relations, supplier quality management, training, quality policy, and process management. TQM factors are able to improve the performance of the company. Prajogo and Hong (2008) conducted a study on 130 manufacturing industries R & D units in Korea, the result is research stating that implementation of TQM practices are more effective to have a significant influence on the performance of the company.

To survive, SMEs owners and managers need accounting information that is current, accurate and timely (Lohman, 2000; Amidu and ABOR, 2005). The accounting system is responsible for analyzing and monitoring the company's financial condition, prepare the necessary documents for tax purposes, providing information to support many functions of other organizations such as production, marketing, human resource management, and strategic planning. Without such a system would be very difficult for SMEs to determine performance, identifying customer and supplier accounts and estimates of future performance of the organization. The main purpose of accounting information systems (AIS) is the collection and recording of data and information regarding the events that have economic impact on the organization and maintenance, processing and communication of such information to internal and external stakeholders (Stefanou, 2006). When organizations
adopt computer-based accounting, they typically find that although the computerized accounting system capable of handling financial data efficiently, but the true value of the computer-based accounting is able to generate reports directly on the organization (Hotch, 1992).

Before the advent of the PC computer, which has made a limited effort on two methods to track financial data (Tavakolian, 1995). One method is to install a mainframe computer and organize the data processing department. This approach has its own difficulties: expensive mainframe computers and many qualified experts needed to handle a variety of tasks in processing accounting data. In most cases, only large companies are able to adopt such an expensive system.

Another option is to have a manual accounting system. The system consists of a large book with paper, typewriter and calculator. Each customer or vendor is recorded on a card separate book containing all the transactions for the company. Typewriter used for typing invoices and checks, and all calculations are done by using calculators. The main drawback of the manual system is that it allows for error and the error may go undetected for some time.

Originally SMEs have no choice but to adopt a manual system for mainframe accounting system is too heavy for them. However, with the introduction of PC-based accounting systems, both computer hardware and accounting software has become cheaper, it provides an opportunity for SMEs to adopt computer-based accounting. However, there are several factors that determine whether an organization will adopt computer-based accounting or not. These factors make the 2 groups between adopters and nonadopters of computer-based accounting.

Despite the development of accounting software and PC has created an opportunity for SMEs to adopt computer-based accounting, but also has caused problems for the adoption of innovation. Accounting is a critical application in all the companies in a variety of sizes, so that the manager of a computer stuck in a no-win situation. They are encouraged to follow the new technology or outdated. On the other hand, experimenting with new technology at the expense of the accounting data can be a risky proposition (Preston, 1993). Change the accounting system to adjust to the new technology can be a very difficult task where data needs to be changed from the existing system to the new system, accounting staff and all users need to be retrained and sometimes documents and reports should be redesigned.

By studying the factors that affect the adoption of computers, internet adoption and the adoption of accounting software, Taragola et al (2001) concluded that the likelihood of
computer adoption is significantly influenced by the size of the business, the importance of creativity and innovation, education and computer training company managers and partners. However, the adoption of the Internet is positively associated with computer training manager enterprise, creativity and innovation, growth, stabilization and negatively related to intrinsic goal (become independent). However, the intention to adopt accounting software positively associated with favorable attitude towards 'intrinsic goals' accounting. Conclusion The study shows that the factors that determine the adoption of computer-based accounting is actually different from the determination of the adoption of ICT in general.

Diffusion of innovation theory (Rogers, 1995) offers a conceptual framework for analyzing the application of ICT by companies. According to this theory, in addition to external variables, personal characteristics of the manager of the company and company characteristics have an impact on the adoption of innovation. One issue that remains is whether adopters to maximize the use of computer-based accounting system. Marriott and Marriott (2000) noted that companies use computers to prepare accounting information, but usually not to their true potential. It was pointed out that the adoption of computer-based accounting research is not limited to the adopters and non-adopters, but also for adopters who want to maximize in studying computer-based accounting.

3. METHODS

Implementation of TQM practices in an organization is very important at this time to achieve competitive advantage. The role of TQM as well as a quality management system, also can improve employee performance and innovation performance in achieving superior business performance. The level of employee performance is determined by the success or failure of an organization in implementing TQM practices. Tjiptono and Diana (2003) said that TQM is an approach to systematically improve the quality by using a lot of dimensions. TQM has been widely applied by many companies with the goal of improving performance such as quality, productivity, and profitability.

Based on the exposure Central Bureau of Statistics Depok City, Economic Growth Rate (Laju Pertumbuhan Ekonomi/LPE) Depok City in 2010 reached 6.36. This value is higher than the rate of LPE West Java which is only 6.22. Not only that LPE Depok City National surpass even just 6.10. The highest contributor of Depok City LPE derived from trade, hotels and restaurants (restaurants) are around 8.3. This is why choosing the restaurant sector in the development of POS applications and computer-based accounting. This study used a sample of selected SMEs in Depok West Java. Two restaurants that have implemented
POS system and computer-based accounting by the researchers, the next will be the main research object and became the object of adopter groups, in addition to the restaurant will also involve other (non-adopters) in the city of Depok to the collection of research data. Restaurants that study is limited to restaurants that employ less than 10 workers.

Stages to be carried out in accordance with the system development life cycle in general, the system analysis, system design, system implementation and system evaluation. In the analysis phase of the system, the analysis to be carried out include the analysis procedures, document analysis, and analysis of the resulting report. At the design stage of the system, will be implemented process detailed specification of the solution selected in the process of system analysis. The next stage is the implementation of the system, will be tested accounting software that has been built up to the implementation, documentation writing, and concludes with an evaluation of the implementation of new accounting software with measured using a five-point Likert scale. These findings are presented using descriptive statistical analysis. Descriptive statistical analysis is used to describe the characteristics of the respondents, and the study variables using a percentage value (%).

4. RESULT

This study uses data based on the results of a questionnaire distributed to Restaurant Jabodetabek in west Java. This section describes the complete results of the study consisted of an overview respondent characteristics, and characteristics of the variables. From the results of the descriptive analysis of the respondents obtained information that this study is a restaurant that is in the area of Depok.
Table 1. ANALYSIS DESCRIPTIVE

| Restaurants that have not been using the computer | 80% |
| Restaurants that are already using the computer | 20% |

Table 2. DATA RESPONDENT

<table>
<thead>
<tr>
<th>No</th>
<th>Data Respondent</th>
<th>Manual</th>
<th>Computerized</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Recording cashier</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>2.</td>
<td>Accounting records</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>3.</td>
<td>Recording reports</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>4.</td>
<td>Security report</td>
<td>33%</td>
<td>67%</td>
</tr>
<tr>
<td>5.</td>
<td>System Maintenance</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>6.</td>
<td>Additional application software</td>
<td>80%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Table 3. LEVEL OF USER NEEDS

<table>
<thead>
<tr>
<th>No</th>
<th>Data Respondent</th>
<th>Need</th>
<th>No Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Recording cashier</td>
<td>87%</td>
<td>13%</td>
</tr>
<tr>
<td>2.</td>
<td>Accounting records</td>
<td>60%</td>
<td>40%</td>
</tr>
<tr>
<td>3.</td>
<td>Recording reports</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>4.</td>
<td>Security report</td>
<td>80%</td>
<td>20%</td>
</tr>
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<td>5.</td>
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<tr>
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<td>80%</td>
<td>20%</td>
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The study states that the management of financial reporting is also needed for the smooth operation of SMEs so as to improve employee performance. The results of this study support the notion that a strong management commitment to encourage the improved performance of the quality and performance of the company (Prajogo and Brown, 2004; Prajogo and Dermott, 2005). Management commitment is needed in support of the successful implementation of TQM, because it can directly improve employee performance, performance innovation, and business performance of the company (Zehir and Sadikoglu, 2009).

Strategic planning to create programs that run and control the activity of SMEs, especially with regard to quality management is absolutely necessary in order to improve the performance of SMEs. Strategic planning in this study is the use of POS for SMEs, namely for recording cash register, accounting records, records of financial statements, financial reports security, system maintenance, and additional application software. Strategic planning
is intended that financial reporting activities in SMEs can be done more efficiently and effectively. The results of this study are consistent with research conducted by Render and Hezer (2004) and Krajewski and Ritzman (2006) which states that the programs associated with improved performance, better employee performance and overall company performance can be more focused and can be measured accurately, if a company has organizing or that are strategic planning documents.

Focus on the consumer is one of the micro factors that affect changes in the company and the development of organizational performance. Focus on employees in this study is the use of POS applications for financial reporting in SMEs. POS application usage is expected to help facilitate the work of employees in financial reporting in SMEs, so as to improve employee performance. The results of this study support previous research conducted by Prajogo and Bown (2004), Prajogo and Dermott (2005), and Prajogo and Hong (2008), states that the results of his research focused on the consumer is one key element of the success of TQM.

Data and information are available at any time can be used by management to supervise the production activities. In this study, the presentation of data and information is done through the use of POS efforts in making financial reports on SMEs. An increase employee skills in managing data and information to better impact on the performance of employees is increasing, especially in providing data and information for management decision makers (Prajogo and Bown, 2004; Handoko, 2006). The results obtained in this study are consistent with previous studies stating that the information and analysis with the help of tools (tools) statistics is one of the key elements of a successful implementation of TQM (Render and Heizer, 2004; Chase et al 2005; Krajewski and Ritzman, 2006).

Some form of employee empowerment efforts by SMEs, including the establishment of working groups, regular meetings, and brainstorming activities. The activity is intended to SMEs can obtain input from employees on matters that can be improved and enhanced from SMEs. Employee empowerment activities related to the implementation of TQM that effectively encourage increased employee performance (Zehir and Sadikoglu, 2009). These results also support previous research that has been done stating that the empowerment of employees, followed by total employee involvement is one of the key elements of a successful implementation of TQM in the organization. When employees are empowered by management to do the job autonomy, then it can lead to feeling valued and trusted employee, so this may have implications for the growing spirit of motivation, and employee performance. (Handoko, 2006).
The more effective management of the organization's operating processes in increasing employee performance achieved. Management process in this study is the financial reporting process. The financial statements existing in SMEs still use manual methods, with the POS is expected to improve employees performance through given of the easy application. The results support the suggestion that the management process is one of the elements of TQM that can affect employee performance and overall company performance. Supervision is carried out by the management of the overall operation of the company as an incentive to reduce the level of error in the operation process, improve discipline, and employee productivity (Chase et al. 2005). The process is well-managed operation has benefits for the company in quality control (Krajewski and Ritzman, 2006).

5. CONCLUSION

Based on the results of research and discussion, it can be concluded that the TQM variables consisting of strategic planning, customer focus, information and analysis, human resource management, and process management can affect employee performance. Overall involvement between management and employees is needed in quality management activities, so that the effective implementation of TQM can improve employee performance and encourage companies to provide a quality product or service to be able to give satisfaction to the consumer, so the company is able to compete in the industry.

6. REFERENCES


Mitchell, F, Reid, G., dan Smith, J. 1998. A Case for Researching Management Accounting in SME’s,


