

## The Influence of Understanding Sharia Accounting, Utilizing the ID Journal Application, and HR Competence on the Quality of PT Era Cipta Digital's Financial Reports

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### Abstract

This research aims to determine the influence of understanding accounting, utilization of the Jurnal Id application, and human resource competence on the quality of financial reports at PT Era Cipta Digital in Medan City. This research uses independent variables, namely understanding of accounting, utilization of the ID journal financial application, and human resource competency. Meanwhile, the dependent variable is the quality of financial reports. This type of research is quantitative research using primary and secondary data. The sample from this research is all employees who work at PT Era Cipta Digital. In this research, the sampling technique used was the saturated sampling method. The statistical analysis used in this research is the classical assumption test, regression analysis, hypothesis testing using the T and F tests, and analysis of the coefficient of determination. Data collection was carried out using a questionnaire method which was distributed directly to 32 respondents. The results of this research indicate that the accounting understanding variable does not affect the quality of PT Era Cipta Digital's financial reports. The use of the ID journal application and HR competency has a positive and significant effect on the quality of PT Era Cipta Digital's financial reports.

**Keywords:** Understanding; Utilization; Journal ID; Competence; Human Resources

### Article History

Received: 25-05-2024

Accepted: 27-06-2024

Published: 16-07-2024

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### To Cite this Article

This will be filled by the editor.

## INTRODUCTION

Accounting is an information system that produces financial information for interested parties regarding economic activities and the condition of a company. Accounting must go through several stages of the process. This process starts from collecting basic transaction documents, classifying transaction types, analyzing them, summarizing them in notes, to reporting them in the form of the required financial reports. Financial reports are reports that show the company's current financial condition in a certain period (Winarno, 2017). In general, the purpose of

financial reports is to provide information about the financial position, financial performance, and cash flow statements of an entity that is useful for a large number of users in making economic decisions or anyone who is not in a position to request special financial reports to meet certain information needs. Usually, a company makes financial reports when their company's accounting period reaches the end. At the company PT Era Cipta Digital, employees of the financial planning and budget division prepare financial reports which are carried out before the book closing period, namely on the 25th of every month. In fulfilling its objectives, financial reports also show what management has done (*stewardship*) or management's responsibility for the resources entrusted to it.

For financial reports to provide benefits to their users, these financial reports must have quality information value and be useful in decision-making. Financial reports are said to be of quality if the information presented in the financial reports is disclosed by the facts without any manipulation in the financial reports. Financial reports produced by each company must meet several quality standards, namely understandability, relevance, materiality, reliability, substance over form, sound judgment, completeness, comparability, timeliness, and balance between costs and benefits. According to Isthika, et al (2014), the low quality of financial reports can be caused by a lack of understanding of accounting or weak use of financial accounting information systems from the preparation of financial reports themselves and a lack of competence in human resources. In preparing a financial report, accountants must have more knowledge, have a good understanding of concepts, and have high analytical skills.

One of the factors that influences the quality of financial reports is understanding accounting. Understanding is an ability that expects someone to be able to understand the meaning or concepts, situations, and facts that they know. Someone who is said to understand accounting means understanding and being clever about how the accounting process is carried out until it becomes a financial report guided by the principles and basis for preparing financial reports. According to Yuliani (2010) to be able to produce quality financial reports, the quality of the people who carry out the task of preparing financial reports must be the main concern, namely the employees involved in these activities must understand and understand how the accounting process and implementation is carried out based on applicable provision. The understanding possessed by human resources in this research is used to improve the quality of financial reports at the company PT Era Cipta Digital by maximizing understanding of accounting science, especially regarding accounting in the form of transactions, analyzing transaction evidence, recording transaction data, posting and publishing reports and notes. By applicable guidelines. And maximize understanding of inputting data into the Jurnal ID application. Yuliani, (2010), believes that the low quality of financial reports itself is caused by a lack of understanding by those preparing financial reports which have not been implemented optimally.

Research conducted by Dian, (2009), Tiya & Trisna, (2020), and Safrida & Nadirsyah, (2010) resulted that understanding accounting has a positive and significant influence on the quality of financial reports, but research conducted by Intania & Norita (2019) obtained research results What is different is that the

accounting understanding variable does not have a significant influence on the quality of financial reports. Failure of human resources to understand accounting in the company environment will have a negative impact, namely the low quality of the financial reports produced. Therefore, understanding accounting greatly influences the quality of the financial reports produced. So it can be concluded that the higher the understanding of accounting, the higher the quality of the financial reports produced.

Furthermore, another factor that influences the quality of financial reports is the use of financial applications. The accounting process to present quality financial reports requires a good accounting information system. Financial applications are a type of bookkeeping software that can help companies automate financial data collection and track trends that can affect business goals more accurately. The use of financial applications is referred to here as an application that is used to help prepare financial reports or budgets, monitor expenses, and prepare long-term financial plans and can produce financial information needed by users in making decisions. The company PT Era Cipta Digital in carrying out accounting processes such as recording, journaling, and making financial reports, uses the help of a financial application, namely the Jurnal.Id Application. The Jurnal. Id application is cloud-based online accounting software that companies can use to organize a better bookkeeping recording system.

Research conducted by Evania, (2022) on the use of the regional financial management information system (SIPKD) application resulted in research that the use of the SIPKD application had a positive effect on the quality of financial reports. The role of using financial applications for a company is that they can be used to increase the timeliness of the company's financial reports and monitor the flow of financial transactions so that if profits or losses occur they can be quickly identified. So, the better the use of financial applications, the better the quality of the financial reports produced. Apart from understanding and utilizing financial applications, there is another important factor, namely human resource competency. The researcher chose the human resource competency variable because preparing a financial report requires human resources who are competent, have responsibility for the tasks assigned, and have sufficient training and experience, so that the financial report can be accounted for. HR competency is one of the main factors for the realization of quality output, in this case, the financial reports at PT Era Cipta Digital. For the preparation of reports at PT Era Cipta Digital to comply with the applicable SAP, it is necessary to pay attention to the quality of human resources. Human resources in this research are required to be able to master and have adequate skills have good responsibility and increase experience and expertise, especially in the field of accounting.

Based on research conducted by Nabila & Dwi, (2019), Gustika, (2017), and Apriliyani & Syahru, (2021) it was found that human resource competency has a positive effect on the quality of financial reports, but research conducted by Ratna & Nur, (2017) obtained similar results. The difference is that human resource competency does not have a positive effect on the quality of financial reports. Human resources who do not have competence will not be able to complete their work efficiently, effectively, and economically. In this case, the work produced will

not be on time and there will be a waste of energy. By having competent human resources, time for preparing financial reports will be saved because these human resources already have knowledge and understanding of the things that must be done.

PT Era Cipta Digital is a company operating in the Information Technology sector that is oriented towards creating innovative and reliable digital products and services to provide convenience and the best solutions to face future challenges. This company is located on Jl. Sei Berantas No. 37, Medan Sunggal, (2021). In the initial interview I conducted with Mrs. Eyna Afrianty as treasurer of budget expenditures at PT Era Cipta Digital, she said that in preparing the company's financial reports PT Era Cipta Digital was assisted by using the financial applications Jurnal ID and Microsoft Excel. Furthermore, he said that several employees in the budget, finance, and tax planning sections at PT Era Cipta Digital did not come from the accounting department. This results in misunderstandings in the preparation of financial reports. He said that the obstacle in preparing the financial report itself was due to network disruption at the company PT Era Cipta Digital.

The results of Sinta's research, (2021), on the Sawahlunto City SKPD show that simultaneously there is a positive and significant influence between understanding and utilization of financial applications on the quality of financial reports in the Sawahlunto City SKPD. Based on the description above, further research needs to be carried out to test the quality of PT Era Cipta Digital's financial reports. The difference between this research and previous research is that this research added one variable, namely Human Resource Competency, whereas previous research conducted by Sinta, (2021) only contained two variables, namely Understanding and Utilizing financial applications. The difference between this research and previous research is the difference in place and time of research.

## **RESEARCH METHODOLOGY**

This type of research uses quantitative research because this research is presented with numbers and calculations using statistical methods. Quantitative methods are research methods based on the philosophy of positivism which are used in researching populations and samples. In this research, the research approach used is the descriptive analysis method and the verification analysis method. There are two research variables in this research, namely the dependent variable and the independent variable. The dependent variable used in this research is the quality of the company's financial reports at PT Era Cipta Digital (Y). This research uses three independent variables (X), namely: Understanding of accounting (X1), Utilization of the Jurnal ID financial application (X2), and Human Resources Competency (X3). All variables in this study were measured using a 1-5 *Likert scale*. The questionnaire in this study was prepared using five alternative answers, namely SS (Strongly Agree), S (Agree), N (Neutral), TS (Disagree), and STS (Strongly Disagree).

In this research, there was a sample of 32 employees who worked at the company PT Era Cipta Digital from a population of 32 people. In this research, sampling used a saturated sampling technique. Saturated sampling is a sample determination technique when all members of the population are used as samples.

In this research, there are two types of data used in the research based on the source, namely primary data and secondary data. The primary data used in this research came from all employees of PT Era Cipta Digital through a questionnaire using *Google Forms*. Furthermore, secondary data used in this research is in the form of library research originating from books, journals, and the internet that are relevant to this research (Sugiyono, 2010). In this research, the testing stage carried out was validity and reliability testing. The validity test in this research is to see the comparison between  $t_{count}$  and  $t_{table}$ . If  $t_{count}$  is greater than  $t_{table}$  or the significance level is  $<0.05$  then it can be said that the data is valid. The reliability test in this research is if the Cronbach's Alpha value is 0.40 to 0.59, meaning it is quite reliable or the Cronbach's Alpha value is 0.60 to 0.79, meaning it is reliable. A questionnaire is said to be reliable or reliable if a person's answers to statements are consistent or stable over time (Ghozali, 2011).

The first data analysis technique used in this research is the classical assumption test. There are 3 types of classical assumption tests in this research, namely: Normality test, multicollinearity test, and heteroscedasticity test. Furthermore, the data analysis technique used is the multiple linear regression test. Multiple linear regression is used to determine the influence or linear relationship between two independent variables and one dependent variable. The next data analysis technique used is research hypothesis testing. In this research, there are 3 types of research hypothesis testing, namely: Simultaneous test (F), if the significant value is  $>0.05$  then the null hypothesis is accepted, or if the significant value is  $<0.05$  then the null hypothesis is rejected. Partial Test (T), If the significant value is  $>0.05$  then the null hypothesis is accepted, or if the significant value is  $<0.05$  then the null hypothesis is rejected. Lastly, the coefficient of determination test ( $R^2$ ), this method is used to see the influence of the independent variable (X) on the variable (Y) in an observation. If a coefficient of determination score ( $R^2$ ) = 0 is found, it can be said that the influence of the independent variable on the dependent variable cannot be explained. On the other hand, if an Adjusted Rsquare score = 1 is found, it can be said that the influence of the independent variable on the dependent variable can be explained.

## RESULT AND DISCUSSION

### Uji Validitas

The validity test in this study is by looking at the comparison between  $t_{count}$  and  $t_{table}$ . If the calculation  $>$  the table or the significance level  $< 0.05$ , then the data is said to be valid, but if the calculation  $<$  the table or the significance level  $> 0.05$ , then the data is said to be invalid (Janti, 2014). The researcher conducted a validity test with 32 respondents so that the  $df$  value can be calculated as  $df=n-2$  or  $df=32-2=30$ , with a significance level of 0.05, then the table value is 0.3494. The results of the validity test in this study are as follows.

**Table 1. Validity Test Results**

<b>variable</b>	<b>Indicator</b>	<b>Total Collaboration</b>	<b>r Table</b>	<b>Information</b>
<b>Understanding Accounting (X1)</b>	X1.1	0,601	0,3494	<b>Valid</b>
	X1.2	0,527	0,3494	<b>Valid</b>
	X1.3	0,578	0,3494	<b>Valid</b>
	X1.4	0,649	0,3494	<b>Valid</b>
	X1.5	0,596	0,3494	<b>Valid</b>
<b>Utilization of the Id Journal Application (X2)</b>	X2.1	0,408	0,3494	<b>Valid</b>
	X2.2	0,512	0,3494	<b>Valid</b>
	X2.3	0,513	0,3494	<b>Valid</b>
	X2.4	0,613	0,3494	<b>Valid</b>
	X2.5	0,499	0,3494	<b>Valid</b>
<b>HR Competencies (X3)</b>	X3.1	0,682	0,3494	<b>Valid</b>
	X3.2	0,415	0,3494	<b>Valid</b>
	X3.3	0,422	0,3494	<b>Valid</b>
	X3.4	0,431	0,3494	<b>Valid</b>
	X3.5	0,726	0,3494	<b>Valid</b>
	X3.6	0,820	0,3494	<b>Valid</b>
<b>Quality of Financial Statements (Y)</b>	Y.1	0,726	0,3494	<b>Valid</b>
	Y.2	0,717	0,3494	<b>Valid</b>
	Y.3	0,669	0,3494	<b>Valid</b>
	Y.4	0,742	0,3494	<b>Valid</b>
	Y.5	0,723	0,3494	<b>Valid</b>

Source: SPSS 25 Processing Results

Based on table 1, it can be explained as follows the Accounting Understanding Variable (X1) above shows that X1.1 to X1.5 is valid because the calculation value is greater than 0.3494 or the calculation > the table. The Variable of Utilization of the ID Journal Application (X2) above shows that X2.1 to X2.5 is valid because the calculation value is greater than 0.3494 or the calculation > the table. The HR Competency variable (X3) above shows that X3.1 to X3.6 is valid because the calculation value is greater than 0.3494 or the calculation > the table. The Financial Statement Quality Variable (Y) above shows that Y.1 to Y.5 is valid because the calculation value is greater than 0.3494 or the calculation > the table.

### **Reliability Test**

A questionnaire is said to be reliable or reliable if a person's answers to statements are consistent or stable over time (Ghozali, 2011). The reliability test in this study was carried out using SPSS Version 25. The results of the reliability test in this study are as follows.

**Table 2. Reliability Test Results**

No.	Variable	Value <i>Cronbach' Alpha</i>	Information
1	Understanding Accounting (X1)	0,497	Quite Reliable
2	Utilization of the ID Journal Application (X2)	0,650	Reliable
3	HR Competencies (X3)	0,400	Quite Reliable
4	Quality of Financial Statements (Y)	0,755	Reliable

Source: SPSS 25 Processing Results

According to Duli, (2019), the Alpha Cronbach value of 0.40 to 0.59 means that it is quite reliable and the Alpha Cronbach value of 0.60 to 0.79 means reliable. Based on Table 2 above, it can be concluded that variables X2 and Y have reliable values. As for the variables X1 and X3, they have quite reliable values.

### Results of the Normality Test

The normality test aims to test whether in the data whether the research data conducted has a normal distribution or not. In this study, Kolmogrov-Smirnov was used to detect whether the data distribution was normal or not. If the significance is above the alpha value ( $\alpha = 0.05$ ), then the data is normally distributed. The results of the normality test can be seen as follows:

**Table 3. Normality Test Results**

### One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		32
Normal Parameters,b	Mean	.0000000
	Std. Deviation	.96971200
Most Extreme Differences	Absolute	.110
	Positive	.079
	Negative	-.110
Test Statistic		.110
Asymp. Sig. (2-tailed)		.200c,d

Source: SPSS 25 Processing Results

Based on Table 3 above, it can be concluded that the significance value of Kolmogrov-Smirnov is  $0.200 > 0.05$  (Asymp. Sig). So that the classical assumption for the normality test is fulfilled and it can be concluded that the data used is normally distributed.

### Multicollinearity Test Results

The Multicollinearity Test aims to test whether the regression model finds a strong relationship between independent variables. To detect the existence of multicollinearity, it can be seen from the VIF (*variance inflation factor*) value. If the VIF value  $< 0.10$  or  $> 10$ , then Multicollinearity occurs, on the other hand, if there is no Multicollinearity, if the VIF value is in the range of 0.10 to 10. The results of the Multicollinearity test can be seen as follows.

**Table 4. Multicollinearity Test Results**

Variable Independent	Collinearity Statistic		Information
	Tolerance	VIF	
Understanding Accounting (X1)	0,884	1,132	No Multicollinearity Occurs
Utilization of the ID Journal Application (X2)	0.867	1,153	No Multicollinearity Occurs
HR Competencies (X3)	0,840	1,191	No Multicollinearity Occurs

Source: SPSS 25 Processing Results

Based on Table 4 above, it can be seen that the results of the multicollinearity test on all variables get a tolerance value of  $> 0.10$  and a VIF value of  $< 10$ , so it can be concluded that the regression model in this study is free from multicollinearity symptoms.

### Heteroscedasticity Test Results

The heteroscedasticity test is a residual variant that is not the same for all observations in the regression model. The heteroscedasticity test in this study uses the *Glejser* test method. The basis for decision-making with *the Glejser test* is if the significance value is  $> 0.05$ , then heteroscedasticity does not occur in the data, on the contrary, if the significance value  $< 0.05$ , then heteroscedasticity occurs in the data. The results of the heteroscedasticity test can be seen as follows.

**Table 5. Heteroscedasticity Test Results**

#### Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Say.
		B	Std. Error	Beta		
1	(Constant)	1.010	2.993		.337	.738
	Understanding Accounting (X1)	.048	.065	.144	.736	.468
	Application Utilization (x2)	-.076	.099	-.151	-.768	.449
	HR Competencies (X3)	.028	.077	.073	.366	.717

Source: SPSS 25 Processing Results



Based on Table 5 above, it can be seen that the sig value is 0.468 (Accounting Understanding Variable), 0.449 (Id Journal Application Utilization Variable) and 0.717 (HR Competency Variable). This shows that all variables have a significance value of > 0.05, so all variables do not have heterogeneity.

### Multiple Linear Regression Test

Multiple linear regression is used to determine the linear influence or relationship between three independent variables (X) and one dependent variable (Y) together. The following is a table of the results of the multiple linear regression test using SPSS version 25.

**Table 6. Multiple Linear Regression Test Results**

#### Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-4.376	4.924		-.889	.382
	Pemahaman Akuntansi (X1)	-.007	.106	-.008	-.062	.951
	Pemanfaatan Aplikasi Jurnal Id (X2)	.343	.164	.264	2.095	.045
	Kompetensi SDM (X3)	.661	.126	.669	5.223	.000

Source: SPSS 25 Processing Results

Based on Table 6 above, it can be seen that the results of regression analysis obtained the coefficient for the Accounting Understanding variable (X1) of -0.007, for the variable of Utilization of the Journal Application Id (X2) of 0.343 and the variable of Human Resources Competence (X3) of 0.661 with a constant of -4.376 so that the regression equation model obtained is as follows:

$$Y = a + \beta_1. X_1 + \beta_2. X_2 + \beta_3. X_3 + e$$

$$Y = -4,376 + -0,007 (Sig. 0,951) + 0,343 (Sig. 0,45) + 0,661 (Sig. 0,000) + e$$

Based on the results of the multiple linear regression equation above, the following definition can be given the value of a = -4.376 is a constant or state when the variable of financial report quality at PT Era Cipta Digital Kota Medan has not been influenced by other variables, namely Accounting Understanding, Utilization of Id Journal Application and HR Competence. If the independent variable does not exist, the Financial Statement Quality variable does not change. The regression coefficient value of X1 of 0.951% shows that the Accounting Understanding variable has no positive influence on the quality of financial statements (Variable Y) which means that every 1% increase after the Accounting Understanding variable will not

affect the quality of financial statements by 0.951%, assuming that other variables change. The value of the regression coefficient X2 of 0.45% shows that the variable of Jurnal Application Utilization has a positive influence on the quality of financial statements (Variable Y) which means that every 1% increase after the variable of Jurnal Application Utilization Id will affect the quality of financial statements by 0.951% assuming that other variables are constant (fixed) or do not change. The value of the regression coefficient X3 of 0.000% shows that the HR competency variable has a positive influence on the quality of financial statements (Variable Y) which means that every 1% increase after the HR competency variable will affect the quality of financial statements by 0.000% assuming that the other variables are constant (fixed) or do not change.

### Determination Coefficient Test (R2)

The determination coefficient R2 is intended to measure how well the model can explain the variation of dependent variables. The value of the determination coefficient is between 0 and 1.

**Table 7. Determination Coefficient Test Results (R2)**

#### Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.783 <sup>a</sup>	.614	.572	1.02034

Source: SPSS 25 Processing Results

Based on Table 7, the results of the R2 determination coefficient test are 0.614. Calculation of the determination coefficient test = R square value x 100% = 0.614 x 100% = 61.4%. This shows that the independent variables, namely Accounting Understanding (X1), Utilization of ID Journal Application (X2), and HR Competence (X3), can predict the dependent variable of Financial Statement Quality (Y) by 61.4%.

#### Partial Test Result (t)

The t-test was used to determine the partial influence of each independent variable (accounting understanding, utilization of ID journal application, and HR competence) on the dependent variable (quality of financial statements at PT Era Cipta Digital). The criteria used with an error rate of 0.05 are H0 accepted if the  $t_{cal} < t_{table}$  value or sig value > a and H0 is rejected if the  $t_{cal} > t_{table}$  value or the sig value < a. The results of the partial test can be seen in the following table

**Table 8. Partial Test Result (t)****Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-4.376	4.924		-.889	.382
	Understanding Accounting (X1)	-.007	.106	-.008	-.062	.951
	Utilization of the Id Journal Application (X2)	.343	.164	.264	2.095	.045
	HR Competencies (X3)	.661	.126	.669	5.223	.000

Source: SPSS 25 Processing Results

The Accounting Understanding variable (X1) has a t-test of  $-0.62 < 2.048$  with a significance of  $0.951 > 0.05$ . This test shows that H0 is accepted and H1 is rejected. So it can be concluded that Accounting Understanding (X1) does not have a significant effect on the Financial Statement Quality (Y) variable. The Id Journal Application Utilization Variable (X2) had a t-test of  $2.095 > 2.048$  with a significance of  $0.045 < 0.05$ . This test shows that H0 is rejected and H1 is accepted. So it can be concluded that the variable of Utilization of the Id Journal Application (X2) has a positive and significant influence on the variable of Financial Report Quality (Y). The HR Competency variable (X3) has a t-test of  $5.223 > 2.048$  with a significance of  $0.000 < 0.05$ . This test shows that H0 is rejected and H1 is accepted. So it can be concluded that the HR Competency variable (X3) has a positive and significant influence on the Quality of Financial Statements (Y).

**Simultaneous Test Results (f)**

The f test also known as variant analysis (ANOVA) is used to test the significance level of the influence of several independent variables together on the bound variables, namely by comparing Fcal with Ftable with a significance level of 0.05. The hypothesis with the f-test is the basis for decision-making, namely: H0 is accepted if the tcount value is  $< t_{table}$  or the sig value  $> \alpha$ , and H0 is rejected if the tcount value  $> t_{table}$  or the sig value  $< \alpha$ .

**Tabel 9. Hasil Uji Simultan (F)****ANOVA**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	46.318	3	15.439	14.830	.000b
	Residual	29.151	28	1.041		
	Total	75.469	31			

Source: SPSS 25 Processing Results

To analyze the F test in this study, it is necessary to determine  $F_{table}$  first with the calculation  $f_{table} = f(k; n-k) = (3:32-3) = 3: 29 = 2.93$ . Based on table 9 above, it can be concluded that the results of the F test the significance value of the influence of Accounting Understanding (X1), the Utilization of the ID journal Application (X2), and the Human Resources Competency (X3) on the Quality of Financial Statements (Y) is  $0.000 < 0.05$  and the value of  $F_{cal} > F_{table}$  is  $14, 830 > 2.93$ . So  $H_0$  was rejected and  $H_1$  was accepted, this shows that there is an influence of Accounting Understanding, Utilization of Id Journal Application, and HR Competence on the Quality of Financial Reports simultaneously and significantly.

### Simultaneous Test Results (f)

The f test also known as variant analysis (ANOVA) is used to test the significance level of the influence of several independent variables together on the bound variables, namely by comparing  $F_{cal}$  with  $F_{table}$  with a significance level of 0.05. The hypothesis with the f-test is the basis for decision-making, namely:  $H_0$  is accepted if the tcount value is  $< t_{table}$  or the sig value  $> a$ , and  $H_0$  is rejected if the tcount value  $> t_{table}$  or the sig value  $< a$ .

**Table 10. Simultaneous Test Results (F)**

		ANOVA <sup>a</sup>				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	46.318	3	15.439	14.830	.000b
	Residual	29.151	28	1.041		
	Total	75.469	31			

Source: SPSS 25 Processing Results

To analyze the F test in this study, it is necessary to determine  $F_{table}$  first with the calculation  $f_{table} = f(k; n-k) = (3:32-3) = 3: 29 = 2.93$ . Based on table 9 above, it can be concluded that the results of the F test the significance value of the influence of Accounting Understanding (X1), the Utilization of the ID journal Application (X2), and the Human Resources Competency (X3) on the Quality of Financial Statements (Y) is  $0.000 < 0.05$  and the value of  $F_{cal} > F_{table}$  is  $14, 830 > 2.93$ . So  $H_0$  was rejected and  $H_1$  was accepted, this shows that there is an influence of Accounting Understanding, Utilization of Id Journal Application, and HR Competence on the Quality of Financial Reports simultaneously and significantly.

## DISCUSSION

### The Effect of Accounting Understanding on the Quality of Financial Statements at PT Era Cipta Digital

Based on Table 8, shows partially that the Accounting Understanding variable (X1) does not have a positive effect on the Financial Statement Quality variable (Y). This result can be accepted based on answers from respondents processed with the SPSS 25 program. The results of this study are in line with the research conducted by Intania & Norita, (2019) which obtained the results of the study, namely that the

variables of accounting understanding do not have a significant influence on the quality of financial statements and this research is not in line with the research conducted by Tiya & Trisna (2020) which results that accounting understanding has a positive and significant influence on the quality of financial statements.

The reason why the Accounting Understanding variable (X1) does not affect the quality of financial reports at PT Era Cipta Digital (Y) is that several employees work in the budget, finance, and tax planning division who do not have an accounting education background and not all employees have experience in the field of accounting. This results in a lack of understanding in the preparation of financial statements. PT Era Cipta Digital has conducted training for employees who do not have an accounting education background. So that the employees have competence knowledge and understanding in the field of accounting. To create good quality financial reports, it would be good for PT Era Cipta Digital company not only to carry out training for employees but also to select criteria for employees with a background in accounting education. Because, those with a background in accounting education, have sufficient accounting understanding, experience, and training. So that the preparation of financial statements at PT Era Cipta Digital can be completed on time. The more maximized the accounting understanding possessed by employees at PT Era Cipta Digital, the better the quality of the financial reports produced.

This result can be accepted based on answers from respondents processed with the SPSS 25 program. The results of this study are in line with the research conducted by Intania & Norita, (2019) which obtained the results of the study, namely that the variables of accounting understanding do not have a significant influence on the quality of financial statements and this research is not in line with the research conducted by Tiya & Trisna (2020) which results that accounting understanding has a positive and significant influence on the quality of financial statements. The reason why the Accounting Understanding variable (X1) does not affect the quality of financial reports at PT Era Cipta Digital (Y) is that several employees work in the budget, finance, and tax planning division who do not have an accounting education background and not all employees have experience in the field of accounting. This results in a lack of understanding in the preparation of financial statements. PT Era Cipta Digital has conducted training for employees who do not have an accounting education background. So that the employees have competence knowledge and understanding in the field of accounting. To create good quality financial reports, it would be good for PT Era Cipta Digital company not only to carry out training for employees but also to select criteria for employees with a background in accounting education. Because, those with a background in accounting education, have sufficient accounting understanding, experience, and training. So that the preparation of financial statements at PT Era Cipta Digital can be completed on time. The more maximized the accounting understanding possessed by employees at PT Era Cipta Digital, the better the quality of the financial reports produced.

### **The Effect of the Utilization of the Jurnal Id Application on the Quality of Financial Reports at PT Era Cipta Digital**

The results of the partial test (t) in Table 8 show that the variable Utilization of the Journal Application Id (X2) has a t-test of  $2.095 > 2.048$  with a significance of  $0.045 < 0.05$ . This test shows that H0 is rejected and H1 is accepted. This means that partially the Utilization of the Id Journal Application (X2) has a positive and significant influence on the Quality of Financial Reports (Y). This result can be accepted based on the answers from 32 respondents who were processed with the SPSS 25 program. The results of the research that supports this research are research conducted by Evania (2022) which states that the Utilization of the SIPKD Application has a positive effect on the quality of financial reports. The use of the Jurnal ID application in this study has succeeded in making it easier and faster for employees to carry out the transaction process in compiling financial statements at PT Era Cipta Digital and correcting data to avoid errors or fraud so that the financial reports produced are of high quality and completed on time. As time and time develop, information technology will develop according to the times. So it is necessary to pay attention to the PT Era Cipta Digital company to always update the financial report data processing system so that the data processing process is more accurate and produces financial reports that can be accounted for even better financial statements.

### **The Effect of HR Competence on the Quality of Financial Reports at PT Era Cipta Digital**

The results of the partial test (t) in table 8 show that the HR Competency variable (X3) has a t-test of  $5.223 > 2.048$  with a significance of  $0.000 < 0.05$ . This test shows that H0 is rejected and H1 is accepted. This means that partially HR Competence (X3) has a positive effect on the Quality of Financial Statements (Y). This result can be accepted based on answers from respondents processed with the SPSS 25 program. The results of this study are in line with research conducted by Nabila & Dwi (2019), Gustika (2017), and Apriliyani & Syahru, (2021), which stated that human resource competence has a positive effect on the quality of financial statements. This study is not in line with the research conducted by Ratna & Nur (2017) which states that human resource competence does not have a positive effect on the quality of financial statements. Preparing a financial report requires competent human resources, who are responsible for the tasks given, and have sufficient training and experience so that financial statements can be accounted for. The company PT Era Cipta Digital already has human resources who have support in terms of responsibility, experience, and training. In addition, employees who work in the financial planning, budget, and tax division at PT Era Cipta Digital already have good behavior so there is no manipulation of data in the company.

### **The Effect of Accounting Understanding, Utilization of Journal ID Application, and HR Competence on the Quality of Financial Reports at PT Era Cipta Digital**

From the results of data processing using the SPSS 25 program, the simultaneous test (F) in table 9 shows that the values of  $F_{cal}, F_{cal} > F_{tabel}$  are 14, 830 >

2.93 with a significance of  $0.000 < 0.05$ . so that  $H_0$  is rejected and  $H_1$  is accepted. This means, that the independent variables of Accounting Understanding (X1), Utilization of Journal Application Id (X2), and HR Competence (X3) have a simultaneous effect on the Financial Statement Quality variable (Y). These results also show that the average respondents for the variables of accounting understanding, the use of the id journal application, and HR competencies obtained quite high scores. Based on the description above, the regression model can be used to predict the influence of the quality of financial statements or it can be concluded that the independent variables of accounting understanding, the use of the Journal ID application, and human resource competencies together or simultaneously affect the dependent variable, namely the quality of financial statements at PT Era Cipta Digital in Medan City.

This result can be accepted based on the answers from 32 respondents who were processed with the SPSS 25 program. The results of the research that supports this research are research conducted by Evania, (2022) which states that the Utilization of the SIPKD Application has a positive effect on the quality of financial reports. In the company PT Era Cipta Digital in the preparation of financial statements, is assisted by utilizing the use of the Jurnal ID application. The use of the Jurnal ID application in this study has succeeded in making it easier and faster for employees to carry out the transaction process in compiling financial statements at PT Era Cipta Digital and correcting data.

## CONCLUSIONS

The purpose of this study is to determine the influence of accounting understanding, the use of ID journal applications, and human resource competencies on the quality of financial reports at PT Era Cipta Digital Kota Medan. The respondents in this study were 32 respondents who were employees at PT Era Cipta Digital. Based on the partial test (t) the variable of Accounting Understanding (X1) has no positive effect on the Quality of Financial Statements (Y). Based on the partial test (t) variable Utilization of the Id Journal Application (X2) has a positive effect on the Quality of Financial Reports (Y). Based on the partial test (t) the variable Human Resources Competency (X3) has a positive effect on the Quality of Financial Statements (Y). Based on the simultaneous test (F) of the variables of Accounting Understanding (X1), Utilization of Journal Application ID (X2), and Human Resources Competence (X3) have a significant effect on the Quality of Financial Statements (Y). In this study, only a few independent variables were tested such as accounting understanding, the use of the ID journal application, and the human resource competencies used. For future research, several independent variables can be added. The limited number of respondents was only 32 respondents.

## ACKNOWLEDGMENT

Both persons and institutions with contributions to the paper writing process can be mentioned here.

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