THE INFLUENCE OF THE ORGANIZATIONAL STRUCTURE AND OF THE TOP MANAGEMENT SUPPORTS ON THE ACCOUNTING INFORMATION SYSTEM AND ITS IMPLICATION ON THE ACCOUNTING INFORMATION QUALITY

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ABSTRACT

The aim of the study is to measure the influences of accounting information system on the accounting information quality through observing the organizational structure and the top management supports. The study uses descriptive and verificative analysis method and involves thirty one (31) pharmaceutical big trader (PBF) companies in Bandung Municipal, those are applied accounting information system. The result of the study shows that the organizational structure and the top management supports have significant influence on the implementation of accounting information system. Besides, the implementation of accounting information system has an impact on the accounting information quality as well.

Keywords: organizational structure, top management supports, accounting information system, accounting information quality, the pharmaceutical big trader (PBF) companies.

I. INTRODUCTION

Information systems are important for organizational life (Ballantine, et al, 2000) and for accounting development, since accounting is an information system that produces information for various interests of individuals or groups about the financial activities of an organization (Azhar Susanto, 2013: 64).

The information system involves know about cultural practices of the organizations involved. IS on organization an important role in information systems is the integration of brainwares and their association with organizations. In order to provide real benefits, the information system should also be built on an understanding of the organization in which the system will be used. Implementation and development of information systems in each organization to achieve the expected

goals can not be separated from the relevantility of top management (Doll & Deng, 2001). Top management within the organization must gain knowledge of the appropriate information quality in the application of accounting information systems to improve performance and assist organizations to achieve profitability (Rajiv Sabherwal, 2006). Top management at the company must know and understand fully why the company adopts a quality information system, because it will be closely linked to the strategies used to improve the competitiveness of enterprises (Kim, 2007).

II. LITERATURE REVIEW

2.1 Structure of Organization

Structure of Organization is the framework and the arrangement of relationships between functions and sections, also shows the hierarchy of organizations and structures as a container to carry out its duties and responsibilities based on work relationships between sections within an organization described by the organizational chart. (Robbins, et al, 2011: 522; Azhar Susanto, 2013: 98; Ivancevich, 2011: 22)

2.2 Top Management Support

Top management supports are group of people to responsibility on all of activities and have effect to support all people on organization to always increase dan survive to achievment the goal (Griffin, 2008).

2.3 Accounting Information System

AIS is a collarotaion of elements that are interconnected with all other that together perform the functions to process transaction data related to activities make a financial information to survive organization (Azhar Susanto, 2013:72).

2.4 Accounting Information

Quality of information should give use to organization such as relevan, ease to use, ease to application, timeliness. All of that information is tool to make decision on organization (Lilis Puspitawati & Sri Dewi Anggadini, 2011 : 65)

2.5 Framework for Thinking

Research by Claver, et al (2001) revealed that the implementation of hirarchiorganisasi and implementation of information systems are interconnected that can create stable conditions and can avoid the negative behavior of management staff. Similarly Wanyama, et al (2010) and Ismail, et al (2007) revealed in his research that the organizational structure has an influence on the development and implementation of financial information systems. Similarly, in his research revealed there is a relationship and positive relationship another dimention of organizational structure and information systems. This is supported by research by Bhanu, et al (2004) which states that top management support has been identified as an important factor for the success of an organization. These conditions form the framework for understanding the effect of hogh level management on the usefull of information systems within an organization (Sadatamrul, 2004). Similarly, Ramlah, et al (2009) suggests that top management supports are one of the most significant factors that determines the successful implementation of enterprise IS within an organization. Qualified information activities are generated by accounting information systems (SIAs) that optimize their accounting systems, as well as quality accounting systems and serve managers for decision making, planning, and control. And accounting information system quality that produces quality business management. This is supported also by Ponte (2000) which explains that accounting information systems are basic supporters on business organization.

III. Research methods

To analyze the data in this study used Path Analysis (Path Analysis). This analysis is action to determine the magnitude of the effect of exogenous variables on endogenous variables. Path analysis is used because conceptually between exogenous variables has a relationship. By path analysis can be known magnitude influence of each exogenous variable either directly or indirectly.

IV. Discussion

In this research, it is proven from the respondent's answer that with the supervision from the management, it is possible to finish the main task quickly indicate that the information system built is able to run and function in accordance with the agreement and the usual procedure and practice, because although there is no leader in the place,

the team performs work in accordance with the system and procedures. Performing work using documented systems and procedures is also a form of having decided that the organizational structure function has run as it should be, in which the function of organizational structure is in accordance with what is said by Jones Gareth (2010: 29), that the organizational structure is a system of division of labor and responsibility from each part where the parts are coordinating each other for the activities undertaken in order to achieve organizational goals. In this case evidenced from the responses of respondents who agree agree (77.8%) that accounting information generated from the use of information systems in accordance with actual facts and only have one type of information means that although respondents are everywhere, the resulting information is not different (54%). Furthermore, quality information can also be reflected in the relevant needs and in decision making, timely in entering data and available when necessary, complete as needed and taeapt as the basis of decision making that some respondents stated that the level of quality of accounting information viewed from the side of accurate, relevant , timely and complete has been quite good.

V. Conclusions

The organizational structure and top management support affect of accounting information systems quality, then there is the influence of quality accounting information system to the quality of accounting information. Not yet accounting information quality caused by the quality of accounting information systems that have not reached the ideal level expected.

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