



Effect of Accounting Information System Utilization, Accounting Understanding, and Technology Utilization on Employee Performance with Internal Audit as an Intervening Variable at Bank Sumut Medan

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Abstract: *This research aims to analyze effect of accounting information system utilization, accounting understanding, and technology utilization on employee performance with internal audit as an intervening variable at Bank Sumut Medan. The type of research used in this research is associative research using a quantitative technical approach. Participants in this research consisted of permanent employees and PKWTT who worked in the business and operational departments respectively. So the sample size in this study is 160 employees of Bank Sumut in Medan City. The data analysis technique used in this research is structural equation modeling-partial least squares (SEM-PLS). The research results show that accounting information system utilization has no significant effect on internal audit at Bank Sumut Medan. Accounting understanding has a significant effect on internal audit at Bank Sumut Medan. Technology utilization has a significant effect on internal audit at Bank Sumut Medan. Accounting information system utilization has a significant effect on employee performance at Bank Sumut Medan. Accounting understanding has no significant effect on employee performance at Bank Sumut Medan. Technology utilization has a significant effect on employee performance at Bank Sumut Medan. Internal audit has a significant effect on employee performance at Bank Sumut Medan. Internal audit does not significantly mediate effect of accounting information system utilization on employee performance at Bank Sumut Medan. Internal audit significantly mediate effect of accounting understanding on employee performance at Bank Sumut Medan. Internal audit significantly mediate effect of technology utilization on employee performance at Bank Sumut Medan.*

Keywords: *Accounting Information System Utilization, Accounting Understanding, Technology Utilization, Employee Performance, Internal Audit.*



1. INTRODUCTION

In the current era of modernization, companies are required to be able to understand and adapt the company's needs to developments in the times that require technology, with today's technological sophistication which makes it easier to disseminate information to various lines of a company. The rapid progress of technology currently forces existing company resources to increase their competence in understanding in various fields, inseparable from the level of performance of each employee in the company.

One of the impacts of progress throughout time is the growth of technology. Technology is always developing to meet human needs that continue to change. The manual initial stage organizational processes of each person are developing into more complex processes due to the rapidly developing field of information technology. Along with the growth of the corporate world, the benefits of technology have developed into a strategy and opportunity, especially in the application of information systems (Dewa and Dharmadiaksa, 2016).

One of the things that make business competition increasingly rapid is that more and more developments in the field of technology continue to increase, so companies are currently improving each other's performance and company activities so that they can continue to survive and innovate based on current needs and developments. Thus, employee performance influences the organization's ability to succeed. By maximizing each person's performance, the business is able to achieve success and full performance according to its expectations.

Competition in the financial services sector is increasingly fierce, thus encouraging industry players to continue to come up with new ideas in order to serve customers better in more effective and efficient ways. Utilization of cutting-edge information technology is one of them; This has brought the bank into a new era of digital banking, using digital technology on all platforms and applications to provide the best service to clients. By continuing to create digital goods and services for customer satisfaction, Bank Sumut is determined to be a winner from the intense competition in the era of digitalization, especially in the banking industry.

In 2022, the total assets of Bank Sumut in 2022 were recorded at Rp40.62 trillion, growing 6.86% from the previous year's IDR 38.01 trillion. Bank Sumut's asset growth is still above the average asset growth for KBMI 1 commercial banks of 6.47%. The amount of credit or financing provided in 2022 will reach Rp27.85 trillion, growing 10.58% compared to the previous year's Rp25.19 trillion. Bank Sumut's credit or financing growth is still higher than the average BPD credit growth of 9.75% in 2022, Bank Sumut posted a net profit of Rp700.72 billion, an increase of 14.22% from the previous year's Rp613.50 billion. Bank Sumut's profit growth is still below the average BPD growth of 17.68%.

According to Hasibuan (2016), performance is the result of each person's work independently to complete tasks according to time, quality and expertise. Based on these two definitions, performance can be interpreted as a work result, both qualitative and quantitative, which is evaluated in relation to experience and abilities relevant to the position held in the organization.

For a company or organization, performance is very important because it determines the company's effectiveness. A manager's performance can also serve as an indicator of how well they manage their business and human resources. Superior employee performance can help



an organization achieve its goals; conversely, poor employee performance, or the workforce's inability to meet job requirements and targets, can make it difficult for an organization to achieve its goals.

The accounting information system is expected to be completed with the help of a customized technology-based system that can work easily, quickly and accurately. By coordinating the work performed and the technology used, better and more effective individual performance can be achieved. Planning, controlling, coordinating, analyzing, and decision-making processes can all benefit from the data collection, storage, and distribution capabilities of accounting information systems, which is an integrated and networked component.

Understanding accounting is an example of a factor that is thought to be able to support employee performance in a company. Adequate understanding of accounting will produce information so that company performance becomes efficient and effective. Employees must be able to understand and master their roles in their respective fields in order to carry out company operations, including in the financial sector. Each worker will understand accounting differently based on their field of work as well. Accounting knowledge influences an accountant's performance because an accountant who has a better understanding of accounting will perform better in the accounting and finance departments.

Information technology converts raw data into information needed by internal and external company stakeholders. Information technology and AIS have various responsibilities and functions. Meanwhile, AIS is a system-based program created to help staff members complete the tasks of their managers. Based on the research results of Handayani et al. (2020) stated that the application of information technology in organizations improves performance and narrows the gap for fraud in organizations. The research results show that the use of information technology has a significant effect on government accountability performance in a positive direction.

Through the use of a system-based accounting information system and supported by existing technology in the company, it is hoped that the internal audit process will be of better quality and make the monitoring process easier with an accounting system which is the process of collecting and storing information data in the form of a database, which will create an audit or inspection process. and supervision runs optimally, then with the accounting knowledge possessed by every employee in the company, it will facilitate communication between lines and work parts in the company. This will certainly have an impact on employee performance in a company.

This research aims to analyze effect of accounting information system utilization, accounting understanding, and technology utilization on employee performance with internal audit as an intervening variable at Bank Sumut Medan.

2. RELATED WORKS

2.1 Accounting Information System

As a planning, implementation, and accountability framework, an accounting information system is a system for documenting, administering, and managing other related data so that it becomes information presented to the public and is part of the material used for decision-



making (Yuliana and Nursiam, 2016). An accounting information system is very important in preparing financial reports when an accrual- based accounting information system is implemented, and system-based information technology is of course very much needed to support operations.

2.2 Accounting Understanding

Sodikin and Riyono (2014), the main purpose of accounting as a service activity is to provide quantitative information, especially relating to money. This data is expected to function as a useful tool for rational and cost-effective decision-making. Accounting can be understood as a systematic procedure for ascertaining the financial information of an organization or government, which is considered relevant and can be used by those who seek knowledge to make the right choices.

2.3 Technology Utilization

In essence, the use of information technology in the form of equipment or tools is very important to save time, energy and mental energy, as well as improve performance effectively and efficiently. Wahyuni and Purnawati (2017) found that information technology has a beneficial impact on work activities, thereby improving employee performance in all aspects. The provision of computer facilities by institutions or organizations has a significant impact on the adoption of information technology in these institutions. An increase in the number of facilities available will increase workers' ability to obtain the information needed to complete their tasks within the organization.

2.4 Internal Audit

Internal audit is an independent evaluation process carried out within an organization to examine and analyze operations carried out as a service to the company. The functions of Internal Audit according to Hery (2010), namely:

1. Evaluate and assess the efficiency of the internal control framework and encourage the implementation of an efficient internal control structure.
2. Assess the level of compliance with top management policies.
3. Assess the extent to which company assets are recorded and documented.
4. Assess the reliability of information obtained from various divisions in the organization.
5. Offer suggestions to improve company operations.

2.5 Employee Performance

The success of achieving the goals of an organization greatly influences employee performance. According to Bataineh (2019), employee performance is a combination of efficiency and effectiveness of employee tasks to meet the expectations of stakeholders. Thus, employee performance is related to how employees fulfill the tasks set by an organization or company. Performance is a description of how an activity program that uses strategic planning to achieve the goals, vision, and objectives of an institution or organization is realized.



3. METHODOLOGY

The type of research used in this research is associative research using a quantitative technical approach. According to Sugiyono (2018), associative research is a research problem formulation that asks about the relationship between two or more variables. Causal relationships are the type of relationship discussed here. This type of interaction explains and tests the influence of one variable on other variables. The research in question falls into the category of survey research according to its methodology. Survey research is research carried out on a population, but the data seen is data from the sample, as stated (Sugiyono, 2018).

Population is a general area consisting of items that have special characteristics and traits that are used by researchers to analyze and then draw conclusions related to that population (Sugiyono, 2018). Apart from that, population is not just the number of objects or subjects studied but includes all the features and attributes possessed by the subject or object in question. Participants in this research consisted of permanent employees and PKWTT who worked in the business and operational departments respectively. Determining the sample in the research used purposive sampling. Purposive sampling was the approach used in obtaining samples for this investigation. Purposive sampling is a sample determination method that is based on the researcher's views regarding which samples are most relevant, valuable, and considered to reflect a population based on certain criteria that will be used. In this research, in order to distribute the sample evenly to each branch office and sub-branches in Medan City, the researcher divided and distributed 4 questionnaires with the provisions of 2 for operational department employees and 2 for strategy department employees in each the sub-branch offices and branch offices of Bank Sumut are in Medan City, so the number of samples in this study is the number of offices 40 times 4 equals 160. So the sample size in this study is 160 employees of Bank Sumut in Medan City.

The data analysis technique used in this research is structural equation modeling-partial least squares (SEM-PLS). PLS can carry out analysis in one test and can explain the relationship between variables. PLS is used to help researchers verify hypotheses and explain whether there is a relationship between latent variables (Ghozali, 2016:417). Because this research involves latent variables that can be quantified based on indicators, the author uses partial least squares to provide straightforward and comprehensive calculations in the analysis. The advantages of PLS include the ability to model large numbers of dependent and independent variables or complex models, the ability to manage multicollinearity problems between independent variables, the ability to produce independent latent variables based on cross products involving dependent latent variables as predictive power, the ability to work with small samples, the ability to work with reflective and formative constructs, and the ability to work with data that is not normally distributed (Jogiyanto, 2018).

4. RESULTS AND DISCUSSION

General Description

Bank Sumut is one of the banks in Indonesia with the company name PT Bank Pembangunan Daerah Sumatra Utara, which has its head office on Jalan Imam Bonjol Number 18, Medan City, North Sumatra Province. PT Bank Pembangunan Daerah Sumatra Utara was founded



on November, 4, 1961 as BPSU. In accordance with the basic provisions of the North Sumatra Level I Regional Development Bank, in 1962 the form of business was changed to a regionally owned business entity with authorized capital at that time of Rp100 million with shares owned by the North Sumatra Level I Regional Government and the North Sumatra Level II Regional Government.

In 1999, the legal form of BPDSU was changed to a limited liability company with the name PT Bank Pembangunan Daerah Sumatra Utara or abbreviated as PT Bank Sumut which is domiciled and has its head office in Medan City, Jalan Imam Bonjol Number 18, Medan City. The authorized capital at that time was Rp400 billion, and then taking into consideration the bank's projected growth needs, in the same year the authorized capital was again increased to Rp500 billion.

In accordance with the company motto, PT Bank Sumut continues to strive to provide the best service, including handling and resolving every customer complaint for both products and services provided by the Bank. Bank Sumut customers are given the convenience of accessing complaint services using various media options, both verbal and written. The 14002 call center service is operational 24 hours, the corporate@banksumut.co.id email service can be used by consumers to submit complaints other than face to face with officers in all Bank Sumut office units.

Bank Sumut's vision is to become a mainstay bank to assist and encourage economic growth and regional development in all fields as well as a source of regional income in order to improve people's living standards. Bank Sumut's mission is to manage government and public funds in a professional manner based on compliance principles.

Respondent Characteristics

Based on the data, it is known that of the 160 respondents studied, as many as 47 people had a diploma degree with a percentage of 29.8% and 98 people had a bachelor's degree with a percentage of 61.3%, and 15 people had a master's degree with a final education, percentage of 9.4% percent. From the data, it can be concluded that the majority of Bank Sumut employees have a bachelor's degree.

Based on the data, it is known that of the 160 respondents studied, as many as 104 people had employee status with grade III-IV with a percentage of 65% percent, as many as 36 people had employee status with grade V-VI with a percentage of 22.5%, as many as 20 people those aged have employee status with grade VII-VIII with a percentage of 12.5%. From the data, it can be concluded that the majority of respondents have employee status with grade III-IV.

Based on the data, it is known that of the 160 respondents studied, as many as 25 people worked for 1-5 years with a percentage of 15.6 percent, as many as 54 people worked for 6-10 years with a percentage of 33.8 percent, as many as 56 people worked for 11-15 years with a percentage of 35 percent, as many as 15 people worked for state-owned enterprises for 16-20 years with a percentage of 9.4 percent, as many as 10 people worked for \geq 21 years with a percentage of 6.2 percent. From the data it can be concluded that the majority of respondents worked at Bank Sumut for a period of 11-15 years.



Direct Effect

Table 1. Path Coefficients (Mean, STDEV, t-Value)

	Original isample (O)	Sample imean (M)	Standard ideviation (STDEV)	T istancestics ((O/STDEV))	P values
Accounting Information System Utilization -> Internal Audit	0.057	0.064	0.057	0.993	0.321
Accounting Understanding -> Internal Audit	0.485	0.482	0.064	7.568	0.000
Technology iUtilization -> Internal Audit	0.479	0.474	0.051	9.400	0.000
Accounting iInformation System Utilization -> Employee Performance	0.306	0.306	0.112	2.724	0.006
Accounting Understanding -> Employee Performance	0.070	0.069	0.174	0.402	0.687
Technology Utilization -> Employee Performance	0.259	0.259	0.125	2.066	0.039
Internal Audit -> Employee Performance	0.989	0.993	0.267	3.700	0.000

Source: Smart PLS 4 Data Processing Result

Accounting information system utilization has no significant effect on internal audit at Bank Sumut Medan. Even though currently the accounting information system can make the work process easier, it can provide convenience in a systematic way and facilitate the process of collecting data or information, but the accounting information system cannot have a significant impact on the smoothness of the internal audit process at Bank Sumut in Medan City. This means that the use of the accounting information system at Bank Sumut prioritizes the process of creating quality financial reports, as well as its use to achieve efficiency and implementation of company operations which can improve and simplify employee work systems.

Accounting understanding has a significant effect on internal audit at Bank Sumut Medan. It can be said that someone who is proficient in accounting is someone who understands and knows how the accounting process is carried out in order to obtain a financial report based on financial reporting guidelines and standards. Based on these theories and definitions, it can be indicated that a good understanding of accounting and understanding it skillfully, will have an influence on the internal audit process and smoothness in the process of examining and evaluating employee performance, so with the understanding of accounting possessed by the auditor, it will have an impact on the smooth running of the audit process. and the quality of internal audits at the company.



Technology utilization has a significant effect on internal audit at Bank Sumut Medan. The results of this research show that the higher the use of technology, the higher the audit techniques or methods of monitoring and evaluation carried out by the company's internal auditors in auditing financial reports or employee performance. Conversely, if the use of technology is lower, the lower the application of audit techniques carried out by internal auditors in audit financial reports. The ability of technology to increase efficiency, and effectiveness, or get better job opportunities is the reason for internal auditors to utilize technology in carrying out their duties. The use of information technology by internal auditors will make it easier and speed up the audit completion process, thereby providing benefits in improving their performance.

Accounting information system utilization has a significant effect on employee performance at Bank Sumut Medan. The accounting information system has an influence on the quality of employee performance in the company. Having an accounting information system will make it easier for employees to carry out processes that require data collection and reporting which must be systemized so that they can become a source of information for the company in making decisions. When a company utilizes a technology-based accounting information system, employee performance will also increase. So having an accounting information system will make it easier for employees to carry out work, especially in the fields of finance and accounting.

Accounting understanding has no significant effect on employee performance at Bank Sumut Medan. A good understanding of accounting or a better understanding of accounting possessed by individual human resources in a company will facilitate the process and course of preparing the company's financial reports and the higher the quality of the reports will be based on the principles and provisions applied by the company. An adequate understanding of accounting will produce good information so that company performance becomes efficient and effective. Each employee will have a different understanding of accounting according to their field as well.

Technology utilization has a significant effect on employee performance at Bank Sumut Medan. Technology is a very important tool for companies. With technology, all data management into information will be completed quickly and precisely. The application of information technology in an organization encourages revolutionary changes in individual behavior at work, and in the context of personal computer use, it is likely that someone has the belief that using a computer will provide benefits for themselves and their work.

Internal audit has a significant effect on employee performance at Bank Sumut Medan. The position and function of internal auditors within the organizational structure have a significant impact on how well they carry out their duties, therefore it is important for them to be able to operate independently and objectively in this capacity. So, based on the role and function of Internal Audit, which prioritizes the principles of independence and objectivity and applies its role and function as a controlling function in the company, it will influence employee performance in a company.



Indirect Effect

Table 2. Path Coefficients

	Original isample (O)	Sample imean (M)	Standard ideviation (STDEV)	T isticistics ((O/STDEV))	P values
Accounting Information System Utilization -> Internal Audit -> Employee Performance	0.056	0.063	0.060	0.929	0.353
Accounting Understanding -> Internal Audit -> Employee Performance	0.479	0.481	0.152	3.142	0.002
Technology Utilization -> Internal Audit -> Employee Performance	0.474	0.469	0.134	3.524	0.000

Source: Smart PLS 4 Data Processing Result

Internal audit does not significantly mediate effect of accounting information system utilization on employee performance at Bank Sumut Medan. With the role and function of internal audit which prioritizes the principles of independence and objectivity and implements its role and function as a controlling function in the company, it will influence employee performance in the company. So by aligning the use of accounting information systems that remain under supervision and the objectivity of internal audit, it will certainly have an impact on employee performance, so that the role of audit can mediate or mediate significantly between the use of accounting information systems and employee performance.

Internal audit significantly mediate effect of accounting understanding on employee performance at Bank Sumut Medan. The human resources department of a company can prepare financial reports with competence and efficiency if they have a strong understanding of accounting. Then, with objective supervision from internal audit, they will participate in encouraging the process of creating employee performance that is in accordance with the performance standards and provisions implemented by the company. So that internal audit can improve the relationship between staff performance and accounting knowledge.

Internal audit significantly mediate effect of technology utilization on employee performance at Bank Sumut Medan. So that by utilizing technology that can simplify and support employee performance in a company, employee performance processes will be optimized effectively and efficiently, then with objective supervision from internal audit, it will participate in encouraging and evaluating the formation of employee performance in accordance with performance standards and provisions. Implemented by the company. So that internal audit is able to significantly mediate the relationship between understanding accounting and the performance of company employees.

5. CONCLUSION AND SUGGESTION

The research results show that accounting information system utilization has no significant effect on internal audit at Bank Sumut Medan. Accounting understanding has a significant



effect on internal audit at Bank Sumut Medan. Technology utilization has a significant effect on internal audit at Bank Sumut Medan. Accounting information system utilization has a significant effect on employee performance at Bank Sumut Medan. Accounting understanding has no significant effect on employee performance at Bank Sumut Medan. Technology utilization has a significant effect on employee performance at Bank Sumut Medan. Internal audit has a significant effect on employee performance at Bank Sumut Medan. Internal audit does not significantly mediate effect of accounting information system utilization on employee performance at Bank Sumut Medan. Internal audit significantly mediate effect of accounting understanding on employee performance at Bank Sumut Medan. Internal audit significantly mediate effect of technology utilization on employee performance at Bank Sumut Medan

Based on the Results of the Research Conducted, the Researcher Compiled and Made Suggestions for Several Parties as Follows:

1. To the Management of Bank Sumut Medan

Through the research results, it is known how each variable influences internal audit and employee performance. The use of an accounting information system that does not have an influence on internal audit indicates that accounting information system implemented by Bank Sumut Medan does not provide convenience and influence on the internal audit process, so it is recommended that the current accounting information system be aligned with the needs of a smooth process and support performance company internal audit. Such as special software and databases for the benefit and convenience of the internal audit process.

2. To the Next Researcher

It is hoped that this research can become a source of reference and reference for future researchers regarding factors that can effect internal audit and employee performance. In this research, it was found that there were variables used that did not have an impact on the internal audit process, so it is recommended that future researchers use other variables that are considered to make a significant contribution to internal audit and employee performance.

3. To the University

It is hoped that this research can become a source of reference and reference for campus academics regarding the variables studied, and can add to the list of repositories that will be useful for research purposes and university accreditation.

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