

CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

As we know, MSMEs have an important role for the Indonesian economy. However, there are still several obstacles that cause the slow growth of these MSMEs. This condition got worse during the Covid-19 pandemic. The pandemic caused losses to SMEs due to decreased of income and difficulty in obtaining loans to finance businesses. Previously, there had been a lot of previous literature that indicated the access to finance and capital was one of the problems which had an impact on the slow growth of MSMEs in Indonesia. The factors causing this situation is the poor quality of financial reports, high interest rates on loans and lack of collateral. MSMEs owner-managers often lack of knowledge and skills needed to register loan applications or meet applicable standard requirements, particularly those related to reliable financial reporting.

Therefore, this study aims to evaluate the conditions for implementation of accounting information system at MSMEs before and during the Covid-19 pandemic in Padang City, West Sumatra. The purpose of this research was realized through a survey using a interviews and structured questionnaire which was then distributed randomly to 173 MSMEs located in Padang City. In practice, this study uses simple descriptive statistical analysis and has succeeded in finding results. First, most of the respondents had understood that accounting information system was essential for the success of their businesses. This can be seen from the high utilization of financial information as a basis for tracking receivable and payable and evaluating business success performance by respondents. Second, there are still some MSMEs that have not or do not record and manage their financial information periodically or separately from the personal/family finances of business owners.

Third, from the research results, it can be concluded that most of respondents use manual and some of them use computerized accounting systems. Fourth, the most of the bookkeeping practices were carried out directly by the

business owner. Fifth, before the Covid-19 pandemic, most of respondent carried out periodic and separate recording and bookkeeping of financial information. In addition, it is known that most of respondents are very concerned about sales books, and purchase books related to their daily business expenses and sales. Meanwhile, during the Covid-19 pandemic, respondents paid more attention to recording cash books to make it easier to find out the receivable that had not been collected and expenses that had to be paid.

Sixth, before the Covid-19 pandemic, the results of this study showed that only a few respondents prepared financial statements at the end of the period, mostly on the income statement, cash flow statement and balance sheet. The majority of financial statements made are related to revenue and expense, namely the income statement. Meanwhile, during the Covid-19 pandemic, the making of cash flow statements was increased because respondents thought that cash flow statements could provide a clear picture of where and for what money were used by respondents during the Covid-19 pandemic. Seventh, this study finds that the main challenges faced by the respondent in implementation accounting information system are the lack of accounting knowledge and need a lot of time to prepare accounting for their businesses. The basis of this problem is the lack of capital and financial resources needed by the respondents to build and implement a good accounting information system.

5.2 Implication

This study aims to add insight about the accounting information systems for MSMEs to run their business. Therefore, MSMEs needs to pay more attention to accounting information system and overcome all problems related to accounting information system. So, they can survive in unpredictable economic conditions such as since the beginning of the Covid-19 pandemic. Based on these findings, this study explains that there is a need for socialization and education regarding the implementation of accounting information systems for MSMEs. Meanwhile, micro, small and medium enterprises may decide to follow and carry out the development of an accounting information system by providing sufficient capital and adequate knowledge and experience. MSMEs also need to study and complete the types of financial reports presented to facilitate decision making that have an impact on

MSMEs performance. This research is expected to be a reference for MSMEs in applying the appropriate accounting information system.

In addition, encouragement is needed from educational institutions in collaboration with the city and provincial governments to carry out training or education programs that are widely affordable for MSMEs regarding the basics of financial management and the creation of a good accounting information system. So that, it is in accordance with available formal financial accounting standards. In addition, educational institutions and government are also expected to provide direct services for MSMEs to carry out consultations, and provide assistance to MSMEs who want to create accounting information systems.

5.3 Limitation

Like any other research, this study has certain limitations:

1. This study does not try to dig deeper into the factors that influence the successful implementation of financial management information systems at MSMEs in the city of Padang, especially those using computer programs.
2. The number and location of sampling is limited to the city of Padang.

5.4 Recommendation

Based on the above limitations, we suggest to the next researchers:

1. It would be better if further research to further examine the factors that influence the successful implementation of financial management information systems at MSMEs in the city of Padang, especially those using technology assistance and computer programs to improve understanding of the use and implementation of accounting information systems in MSMEs. So, it can become a basis for consideration in implementing a better accounting system and improving the performance of MSMEs.
2. It would be better if further research related to this topic is expanded by increasing the number of samples and types of business sectors, as well as the area coverage to other cities/regencies in West Sumatra or even other provinces in Indonesia.