

Implementation of the Payroll Accounting Information System Through Cash Management System (CMS) In Improving Internal Control of the Payroll System at CV. XYZ Jember

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ABSTRACT

This research was conducted to analyze implementation Cash Management System (CMS) in supporting internal control of the payroll system at CV. XYZ. This research uses a descriptive qualitative method with a case study approach. This research uses in-depth interviews with each informant. The research results show that the implementation of the payroll accounting information system at CV. XYZ by using the application Cash Management System (CMS) has been implemented quite well because the company has implemented it in accordance with the components of Committee of Sponsoring Organization of the Treatway Commission or COSO. And with the CMS application, the distribution or distribution of employee salaries becomes very efficient because there are features real time transaction where authorization can be done anywhere and at any time.

Keywords: Payroll Accounting Information System, Cash Management System, Internal Control.

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Received: April 27, 2024

Revised: May 17, 2024

Accepted: May 28, 2024

Published: Juni 20, 2024



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1. INTRODUCTION

An accounting information system is a system that aims to collect and process data, and report information related to financial transactions and an accounting information system is also a system that processes data to produce information needed by decision makers. (Diana and Setiawati 2011).

Technological developments are currently taking place very quickly, as evidenced by the many innovations that have been produced. In mid-August 2014, Bank Indonesia launched the National Cashless Movement (GNNT) which aims to increase awareness and use of non-cash transactions among the public, business people and government institutions. The modernization of the non-cash transaction system is supported by Ministry of Finance regulations which require the treasurer or finance department to carry out transactions via electronic banking services or internet banking. Internet banking for entities is known as the Cash Management System (CMS) feature provided by banks. CMS is a cash management service offered by banks to customers, where each transaction is carried out based on customer orders and accessed by corporate or company customers as part of the company's strategy, including in the employee salary payment process. (Sari, 2020)

CV. XYZ operates in the fast food franchise sector from one of the well-known brands. In carrying out its activities and operational activities, the company has used an accounting information system for its payroll system, namely through a cash management system application from one of the sharia banks. In practice, the CMS application still has several obstacles, including when initially implementing the CMS application, the payroll system was still not effective because the part that handles payroll was still in the adaptation stage to the CMS system or application, causing delays in the payroll process and distribution of employee salaries.

An accounting information system is an accounting system that provides knowledge about processing accounting information when data is recorded in a document. The accounting system is a system of sharing power in a company organization through processing financial data, starting from accounting records to presenting information in financial reports and the accounting system is an organization, forms, records and reports that are coordinated in such a way as to provide the financial information needed by management in management. (Mulyadi, 2013)

Salary is payment for the delivery of services carried out by employees who have a position or contribution of services provided by the employee to the company. (Mulyadi, 2013).

Internal control is a system created to guarantee security within the company. Internal control is also a control that includes organizational structure, methods and measures that are coordinated to maintain organizational assets, check the accuracy and reliability of accounting data, encourage efficiency and encourage compliance with management policies. (Widjajanto, 2009).

Internal control is a process implemented by leadership, management and all employees which is directed with the aim of providing adequate guarantees for achieving the control objectives. (Prastyaningtyas, 2019).

The purpose of this research is to find out how the Cash Management System is implemented to support the company's internal control and how the Cash Management System overcomes fraud in the payroll system. The object in this research is CV. XYZ in Jember district.

2. RESEARCH METHODS

The research method used in this research is a qualitative method. According to Sugiyono (2022), qualitative research methods are naturalistic research methods because the research is carried out in natural conditions (natural settings), post-positivistic because they are based on post-positivist philosophy, interpretive methods because research data is more favorable to the interpretation of data found in the field. The data collection method in this research is by using observation, interviews and documentation methods using primary data sources. Primary data is a data source that directly provides data to data collectors, in this case the data collector is the researcher (Sugiyono, 2022). The informants in this research were operational managers and accounting staff at CV. XYZ Jember. This research was carried out in November - July 2024.

3. RESULTS AND DISCUSSION

Research result

The following are the results of research findings that have been carried out on CV. XYZ Jember

1. Procedures that form a payroll accounting information system

1) Personnel Procedures

a. Employee Acceptance

Employee recruitment at CV. XYZ begins with a recruitment process that is informed to employees and distributed via social media. After that, it continues with a selection process similar to that carried out by companies in general.

b. Employment Termination Process

The process of terminating employment in a company occurs if an employee violates company regulations, such as violating established Standard Operating Procedures (SOP). Termination of employment can also occur on the employee's own initiative, or resign.

- 2) Time Attendance Recording Procedure
The time system is present at CV. XYZ uses manual attendance and only applies to employees who are absent from work, in other words employees who have permission or are sick. Meanwhile, for employees who were present there was no attendance, either manual or digital.
 - 3) Salary Payment Procedure
Salary payments are made by creating a template created by the finance department employee, then the template will be submitted for the salary distribution authorization process. The template used contains the employee's name, email, account number and the nominal salary amount that the company will pay.
 - 4) Payroll Recording Procedure
Payroll recording is carried out by the finance department, the accounting records used are through a computerized system such as salary distribution or payroll systems. Recording of payroll is done by verifying employee payroll every month.
2. Payroll Accounting System
Accounting records used on CV. XYZ does not use manual methods but rather a computerized system. The payroll process already uses a payroll application, namely through a cash management system (CMS).
 3. Internal Control System in Payroll Accounting Information Systems
Internal control is carried out to provide guarantees for accuracy and accuracy in calculating, paying and recording employee salaries. In addition, the employee salary given must be in accordance with the employee's working days and working time.
 4. Internal Control Components in Payroll Accounting Information Systems
Internal control in the payroll accounting information system at CV. XYZ can be seen through the internal control components according to COSO as follows:
 - 1) Control Environment
 - a. Management philosophy and operating style
The company has the characteristics of an organizational culture, namely implementing its vision and mission as a supplier of raw materials from various existing outlets.
 - b. Commitment to integrity and ethical values
Management communicates to all employees regarding the operational standards that have been implemented and the responsibilities that must be carried out in accordance with the policies made by the company, but in practice there are still employees who have not fully carried out their responsibilities in accordance with company policy.
 - c. Organizational structure
Organizational structure is one of the internal controls that exists in every company. The organizational structure contains the duties and functions of a person within the company so that the company can operate and can help in achieving the goals set by the company.
 - d. Determination of Authorization and Responsibility
Authorization and responsibility is a development of organizational structure which is generally realized through the form of separation of duties and functions. In this case, employees can know and understand the authority they have and can be accountable for the authority they receive.
 - 2) Control Activities
 - a. Document design with printed serial numbers

The printed serial number document design is a simple document design that can minimize the possibility of errors in filling out the document, and also contains a signature space for the authority in the transaction. In the CV payroll process. XYZ implements a payroll system through CMS which uses a type of authorization or approval to validate payroll data that salary data is ready to be disbursed to employees.

b. Separation of duties

Segregation of duties is carried out to ensure that each employee carries out tasks according to their respective duties and does not carry out unequal tasks, which in this case is not their responsibility. On CV. XYZ still has multiple tasks which can create an imbalance between duties and responsibilities.

c. Adequate authorization for every business transaction that occurs

Authorization at CV. XYZ is realized in the form of an approval system for payroll templates and other transactions in the CMS application.

d. Secure assets and accounting records

CV's computerized system. XYZ is a payroll system and distribution of employee salaries through the CMS application where there is a monitoring feature for transactions carried out so that it helps to control these transactions in real time.

3) Risk interpretation

The risk interpretation carried out is by using a system that can minimize the risks that will occur. To minimize the risk of the company monitoring employee performance, especially in the payroll department, in this case the regional head can monitor transaction activities in the CMS feature through the transaction monitoring feature.

4) Information and communication

CV.XYZ in practice has conveyed good information to all employees in the company. There is communication with employees who have duties and responsibilities related to employee payroll reports.

5) Performance monitoring

Performance monitoring carried out in connection with the internal control of the accounting information system is by supervising the payroll system that is run, namely transaction activities carried out by the finance department, especially in payroll, regional heads can supervise transactions carried out through the CMS application and the payroll process is monitored by superiors. with authorization for salary distribution via the payroll application.

Discussion

The following is a discussion of the findings and interviews conducted during the research.

1. Implementation of Payroll Accounting Information System at CV. XYZ

1) Implementation of Accounting Information Systems at CV. XYZ

Implementation of accounting information systems at CV. XYZ already uses a computerized system which is still limited to payroll activities and is not evenly distributed across all departments.

2) The related part that implements the accounting information system

The related section that uses a computerized system is in the finance section in the payroll process which uses a payroll system via the CMS application.

3) Implementation of a payroll accounting information system

The payroll accounting information system implemented can provide the information needed by company management. This can be proven by the quality of information produced by the payroll accounting information system via CMS as follows:

- a. Relevant
The information produced is related to payroll activities at CV. XYZ has provided a clear and sufficient report regarding the needs of the section that handles payroll.
- b. Exactly
The information produced is error-free and unbiased. The information is very clear. This information very clearly reflects the activities that occur in the payroll process at CV. XYZ.
2. The problems faced are related to the implementation of the payroll accounting information system
The problem that occurs in the accounting information system in the payroll process when using internet banking is that in each transaction there is a token which makes performance inefficient because the token has a duration of 5 minutes for each transaction. This causes delays in the payroll process.
3. Implementation of the Internal Control System at CV. XYZ
 - 1) Implementation of an internal control system
 - a. An organizational structure that separates functional responsibilities
The company has established separate operational functions, but there is still one function that does not carry out separate control, namely the administrative function.
 - b. A system of authority and procedures that provides adequate protection for company assets
Every transaction carried out is based on the authorization of the authority to approve the transaction.
 - c. Employees whose quality is in line with their responsibilities
In order for companies to get employees whose qualities are in line with their responsibilities, the company will select and conduct a job analysis which of course must meet the requirements set by the company. Employees whose qualities match their responsibilities will be promoted for promotion and undergo training in accordance with their position. With this, companies always look for the best human resources in the employee recruitment process.
 - 2) Internal Control System
Internal control in the payroll accounting information system at CV. XYZ can be seen from the existing elements, including the organizational structure, which explains that the organizational structure is created in accordance with the duties and functions of each employee. This can lead to good employee discipline because employees must carry out their duties and functions in accordance with those determined by the company. However, in practice at CV. XYZ has dual duties between the finance department which is also the administration department which is responsible for all administration carried out by the company. This can trigger errors or *human error* either in one function or even both.
 - 3) The Internal Control System is based on components that are general standards
Prastyaningtyas (2019) states that internal control is a process implemented by leadership, management and all employees. General standards for components in internal control which include organizational structure, authorization and the system being implemented. Implementation of an internal control system at CV. XYZ has been implemented quite well and

efficiently in accordance with the general concept explained in accordance with *Committee of Sponsoring Organization of the Treadway Commission (COSO)*.

4. Payroll Accounting Information System in Supporting Internal Control

1) Payroll Information System Analysis

Internal control in the payroll authorization system is carried out by the finance department that creates it *template* or payroll and then data validation will be carried out by *manager area* and process *approval* or authorization by the Regional Head. Regional Heads can also carry out monitoring *monitoring* for payroll transactions through the application used, namely CMS.

2) CMS Application Analysis

The CMS application that is designed or used can make it easier for users, in this case employees who handle the payroll department, to get the information needed by management quickly in data storage, on time and also easily understood by users. Efficient and economical by saving company operational costs so that it can help make the right decisions in business development. In this case, it is in line with the Minister of Finance Regulation (PMK/183/2019) which states that the CMS application can facilitate transaction activities so that they are more efficient and CMS can also reduce security risks such as misuse or abuse and other things that can harm an agency or company. . This research is also in line with research conducted by Saputri, A. D., B., & Indrawati L. R. (2020) where the CMS application service can minimize the possibility of financial fraud and transaction flows are more controlled with the system. *monitoring*. In terms of healthy practice elements, CMS applications still have weaknesses, including the lack of transaction features, one of which is the absence of menus or features for transaction types *top up e-wallet* for necessary activities such as cash disbursements. So you have to use this type of transaction separately through other applications.

4. CONCLUSION

Based on the results of research and discussions that have been carried out previously, the conclusions that can be drawn from this research are as follows:

- 1) The research results show that the implementation of the payroll system on CV. XYZ has been computerized using application services offered by financial institutions, namely applications *Cash Management System (CMS)*. Payroll system via CMS application using *template payroll* which has been provided by the application service, apart from that the CMS application can be accessed online *real time* by parties who have authority and CMS also has several superior features that can minimize the occurrence of errors or fraud, namely by having an authorization process when business transactions are carried out and management can carry out supervision or *monitoring* regularly *real time* and *online* for transactions that have been carried out through the feature *monitoring* in the CMS application.
- 2) The research results show that the implementation of the payroll accounting information system at CV. XYZ has been implemented quite well because the company has implemented it in accordance with COSO components. Accounting information systems are a combination of computerized systems and manual systems. The part that implements a computerized system is the financial part of the payroll system that uses the system *payroll* via the CMS application. Before the CMS application, companies still used the system *internet banking* which in practice there are problems related to transaction times which require tokens with a very minimal duration. With CMS, the distribution or distribution of employee salaries is very efficient with the system *real time transaction* authorization can be done anytime and anywhere.

- 3) The research results show that the accounting information system is good enough to support the internal control system at CV. XYZ. This can be seen from the implementation of the payroll accounting information system which already uses a computerized system using applications *payroll* CMS from banking financial institutions. There is a small possibility that errors can occur because there is an authorization feature in the CMS system for payroll procedures and the internal control system run by the company is good enough using the CMS application, so that the payroll accounting information system via CMS is able to support internal control at CV. XYZ is in accordance with the concept put forward by COSO.

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