

ENVIRONMENTAL UNCERTAINTY THE INFLUENCE ON THE PERFORMANCE OF SME MANAGERS WITH ACCOUNTING SYSTEM MANAGEMENT AS INTERVENING

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Abstract: The purpose of this study is to examine the effect of environmental uncertainty perception of the performance of managers with the management accounting system as intervening. This research was conducted on 68 managers or small and medium business owners in Bandar Lampung by distributing questionnaires. The results found that the perception of environmental uncertainty has a positive effect on managerial performance, besides, the management accounting system acts as a partial mediation.

Keywords: perception of environmental uncertainty, management accounting system, performance manager.

1. Background

SMEs are one sector that can make a major contribution to a country, especially Indonesia. Therefore the development of SMEs is, of course, the spotlight for many parties, not only the government but also researchers. Bandar Lampung as part of the state of Indonesia which is also the capital of the province of Lampung which is the gateway to the island of Sumatra did not escape the spotlight of the development of SMEs. Based on data obtained from the Koperindag office the number of SMEs in Bandar Lampung in 2015 and 2016 was 39,960, in 2017 there were 2,125 units. This phenomenon indicates that a large number of SMEs went bankrupt, of course, this indicates that the performance of managers and organizations is not going well. Although many researchers claim that performance is much influenced in terms of psychology such as motivation, commitment, and ethics, there are also contextual factors that affect a manager's performance, which is a feeling of environmental uncertainty.

2. Research Issue or Significant

This study aims to provide empirical evidence of the influence of environmental uncertainty on a manager's performance with MAS information as intervening. The reason the researchers conducted this study besides discussing the phenomena that exist, besides that there are gaps in the research results. Most of the results of the study found that MAS will affect performance when environmental uncertainty conditions are high (Agbejule, 2005; Seaman & Williams, 2011; Al-mawali & Al-shammari, 2013). While there are also studies that find that indirectly testing that environmental uncertainty has a significant effect on performance through MAS, and directly testing that environmental uncertainty has a significant effect on performance (Chong & Chong, 1997). This shows the ability of environmental uncertainty acts as a mediator and as a mediator. But there are also results of research that find that direct testing is the environmental uncertainty of MAS seen from the four characteristics of MAS that environmental uncertainty does not affect broad scope and timeliness (Chiou, 2011). The differences in the results found by previous studies and the phenomena that occur, of course, cause its concern for researchers. Researchers suspect that the uncertainty of the environment that will affect MAS will be tested through 4 dimensions and also on performance. This is what distinguishes this study from previous research. Although there are only a few that research with SMEs objects, however, researchers believe that as part of SME business entities, they will surely meet conditions of environmental uncertainty. The contribution of this research is in the theoretical field. With the finding of results that support that environmental uncertainty affects the performance of SME managers through MAS, it is hoped that this can enrich the scientific treasury and design methods. The

research method was carried out through a survey in the form of primary data collection by distributing questionnaires both directly and by mail or post.

3. Literature Review

Contingency Theory

Basically in management accounting, several theories explain management accounting systems, one of which is contingency theory. This theory argues that there is no universal model that is always fit in explaining the organizational design, this is due to ever-changing or turbulent circumstances. So the development of the accounting system will depend on the environment, organization, and style in decision making (Gordon & Miller, 1976).

Effect of Environmental Uncertainty on Managerial Performance

Gul and Chia (1994) state that in conditions of high environmental uncertainty, it can negatively affect the performance of managers and vice versa. So to overcome these uncertainties managers need reliable management accounting information. This indicates that environmental uncertainty can act as ex-ante MAS information (Gordon and Narayanan, 1984; Chenhall and Morris, 1986). Based on the results of previous studies that there is a relationship between environmental uncertainty and MAS on performance (Gul, 1991; Mia and Chenhall, 1994). Mia (1993) found that MAS serves as a mediator between environmental uncertainty and performance. He concluded that performance would be high when the use of SAM information was high. The high use of MAS information is influenced by high environmental uncertainty. So based on the above description, the researchers provide answers to provisional estimates are as follows:

H_{a1}: High environmental Uncertainty negatively affect the performance of the manager

H_{a2}: High environmental Uncertainty will be a positive influence on the performance of the manager as through information MAS

4. Research Method

The population of research this is a small and medium business in Bandar Lampung. The sampling technique is to use a convenience sampling technique.

The data used in this study is by using primary data. Data obtained by sending questionnaires as much as 100 questionnaires to business unit managers who are responsible for operational activities in business units in 14 districts in Bandar Lampung. From the distribution of only 68 questionnaires that can be processed. Instrument questions on environmental uncertainty, researchers use the instruments used by Govindarajan (1986) with dimensions of government policy and politics, resources and services used, macroeconomics, product and demand markets, competition, and technology in your industry. The management accounting system was adopted from Chenhall & Morris (1986) with the dimensions of scope, timeliness, aggregation, integration. the performance of the instruments used by Mahoney et. Al (1963) with the dimensions of planning, investigation, coordination, evaluation, negotiation. Respondents from this study are the majority with a college education and then followed by high school and male sex.

5. Research Analysis

Table. Path Coefficients (Mean, STDEV, T-Values)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (O / STERR)
PKL -> KM	0.428806	0.427543	0.071000	0.071000	6.039522
PKL -> SAM	0.496533	0.514671	0.067246	0.067246	7.383880
SAM -> KM	0.379195	0.382229	0.074463	0.074463	5.092361

Based on the test results obtained statistically that the effect of perception of environmental uncertainty on the manager's performance is significantly positive, this can be seen in the table that is the magnitude of the coefficient value of 0.428806 with a calculated T value of 6.039522 which is greater than T table 1.96 (5%). Thus it can be concluded that the

alternative hypothesis is not supported or in other terms that are failed to reject the null hypothesis. This is contrary to the results of research conducted by Gul and Chia (1994) which states that high environmental uncertainty will negatively affect manager performance, as well as the results of research conducted by Gordon and Narayanan (1984), Chenhall and Morris (1986) they state that the perception of environmental uncertainty negatively influences manager performance. If it is traced from the theory that the researchers used in this study, namely contingency theory, that in fact there is no fit model in organizational design, so researchers assume that the results of this study are supported by the theory, however, the discrepancy of results with the hypothesis according to the researchers' suspicion that in a state of perception a high environment will make someone feel challenged to work better, because basically, individual psychology is diverse, there are individuals who will be motivated when under high pressure so that it will improve performance and there are also individuals who are motivated when under pressure so that their performance will decrease, this in accordance with the theory of motivation, namely reinforcement theory. The second hypothesis test results obtained statistical results are the coefficient of PU to AMS that is equal to 0.496533 with a calculated T value of 7.383880 which is greater than the T table of 1.96. These results indicate that the relationship of street vendors to SAM is significantly positive. While the SAM relationship to manager performance there is a significant positive relationship with a coefficient value of 0.379195 with a calculated T value of 5.092361 which is greater than 1.96. The effect of this mediation supports the contingency theory that researchers propose and is also following the results of Chia's research (1993). Thus it can be concluded that alternative hypothesis 2 is supported.

6. Conclusion

Based on the results of the above analysis it can be concluded that the perception of environmental uncertainty has a positive effect on manager performance, which means that a manager's performance will be high when the perception of environmental uncertainty is high. This implies that when in a situation of high uncertainty, a person feels challenged to maintain his original state by increasing his performance. Besides, the perception of high environmental uncertainty will affect the design of the management accounting system, so that the design of a management accounting system that is fit with the state of the organization will improve the performance of a manager.

7. Discussion and managerial Implication

The implication of this research is that it is known that the perception of high environmental uncertainty will positively influence the manager's performance, of course, indicating that in general the managers can predict the state of the environment well, thus demanding managers to work better, however, if managers have the ability to predict, of course, they will be able to improve their abilities so that they will work better and can increase the growth of small and medium businesses. For this reason, based on the data of respondents who are the majority of the two having a high school education, the Office of Cooperatives and SMEs should provide information or training on macro and microeconomic policies so that they can improve their horizons.

Based on the results of testing a second hypothesis which shows the influence of mediation partial indicates that the role of management accounting system has no effect in full, while accounting management system greatly assist in the business activities of SMEs which will push for the creation of a going concern for the essential role of the Office of Koperindang and SMEs and professional organizations to provide training and outreach on management accounting systems so that they can further improve manager performance.

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