

The Effect of Human Resources Perception, Motivation and Competency On the Performance of It-Based Financial System

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ABSTRACT

This study aims to investigate the effect of predictors (independent variables of human resources/HR perception, motivation, and competency) on the performance of IT-based financial system. It involved 101 respondents who were engaged in financial management of several universities. The analysis model used for testing the effect of perception, motivation, and competency on the performance of IT-based financial system was a regression analysis. The results of this study indicate that the HR perception has a negative relationship and no effect on the performance of IT-based financial systems, HR motivation has a positive relationship and significant effect impact on the performance of IT-based financial systems, HR competency has a positive relationship and effect on the performance of the IT-based financial system. In addition, it is also concluded that perception, motivation, and competency mutually affect the performance of the IT-based financial system.

KEYWORDS: Perception, IT, motivation, competency, financial system performance.

I. INTRODUCTION

Information systems and information technology become fundamental indicators to carry out the operational activities of an organization or company. The development of information technology enables people to perform various types of activity effortlessly, including in the context of organizational and business development. In the business world, information is a main component of the most important basis for decision making. Information technology is used to facilitate the performance of activities within an organization or company. The better the company's information technology, the faster the company will respond to the needs of both the company and consumers (Rahadi, 2007). The increasing use of computer technology as the information technology advancement has transformed the processing of accounting data: from manually into automatic one. The automation of information technology or computer-based technology is able to carry out various functions quickly and accurately. Information technology (IT) enables organization/company in providing information required by the managers in the process of decision-making. In addition, IT is not solely about data processing as it can identify problems in an organization and focus on the issues. Human resources (HR) are not only perceived as elements of production, but also as humans with emotions and active dispositions that can be promoted as a force to mobilize a company or organization. In line with the development of the era, technological-related changes occur in the workplace while raising several problems at the same time. The changes demand the readiness of HR to utilize particular technology-based systems appropriately (Kadir & Triwahyuni, 2013). In addition to the HR competency that often hinders the implementation of IT, problems may arise due to unsupportive perception, low motivation, and readiness in terms of level of education, training, and psychological aspects. They potentially affect the performance of the IT-based system.

Motivation is a process that explains the intensity, direction of persistent efforts to achieve a goal. Each individual owns dissimilar basic motivational drives (Stephen P. Robbins-Timothy A. Judge). Motivation and performance have a positive relationship. High motivation will result in higher effort and better work performance, despite of their mutual influence in which motivation will generate better performance while better performance will increase motivation. Briefly, it will lead to the sense of achievement. Perception is the process by which individuals organize and interpret their sensory impressions in order to give meaning to the environment. Nevertheless, a person may receive different sense from objective reality. One of the factors that influence perceptions is how the individual accepts something new, in this context, the change from the traditional to the IT system (Stephen P. Robbins-Timothy A. Judge).

Technological Advancement in Management: Haag and Keen (1996) agreed that information technology is a set of tools that helps people work with information and perform task related to information processing. According to Martin (1999), information technology includes not only the technology of computer (hardware and software) to process and store information, but also includes the technology of communication to transmit information. William and Sawyer (2009) affirmed that information technology combines computation (computer) and high speed communication channel that brings data, voice, and video. Based on these definitions, both implicitly and explicitly, information technology involves not merely a computer technology, but also communication technology. Shortly, it merges computer technology and telecommunication technology. Information technology systems are systems that are formed in relation with the use of information technology. The information technology system basically includes not only physical (computers and printers), but also includes non-physical dimension (software), and most importantly human resources as users (& Triwahyuni, 2013).

Today, Information Technology (IT) is not only intended for organizations, but also for individual needs. While organizations or institutions employ IT as a means to achieve competitive advantage, reliable IT may improve individual performance and can be used in organizational information systems to provide information for users in decision-making processes. The current business competition evolves, bringing many companies to encounter the situations where they have to solve any problems immediately. They are required to constantly improve their performance by utilizing IT and resources in order to excel in the competition. To follow up the rapid, dynamic development of information, IT becomes crucial. It provides accurate, real-time, and useful information for the company management. Therefore, the current companies prefer to employ computer-based information processing systems that provide convenience for users and deliver fast, relevant, real-time, complete, understandable, and reliable information (Adjeng, 2012, *BENEFIT Jurnal Manajemen dan Bisnis*).

The Role of Information Technology in Financial Management: Riyanto (2001) defined financial management as the entire company's activities related to obtaining necessary funds with minimal costs and the most favorable terms and efforts to use the funds as efficiently as possible. The function of financial management is linked to financial management activities including: Investing activities, namely activities to invest funds in various types assets; Fundraising activities, namely activities to raise funds from various sources, both internal and external sources; and Asset management activities, namely the activities carried out after funds are acquired in which they are allocated in the form of assets and they must be managed as efficiently as possible. In the financial sector, the use of information systems has been concentrated toward feasibility assessments, financial planning and development, monitoring and supervision systems, as well as various financial implications that require accounting information that will be useful for managers in carrying out organizational planning and control functions in a real-time, accurate, and comprehensive manner. Therefore, it is essential to have an information system technology (hardware and software) that ensure the availability of such information when needed. The implementation of financial management system is one of the main activities of a company. The development of information technology has affected the implementation of the financial management system in which it delivers information quickly and accurately in planning, controlling and making decisions in the context of financial management and management in general. Therefore, the update of the development of information technology to achieve competitive advantage has been a necessity for every company. A variety of literatures suggested the use of IT to increase productivity and performance in the personnel and financial aspects, thus IT is closely associated to management, including financial management.

Evaluation of System Performance: Performance is a manifestation of employees' activities, which is usually used as a basis for evaluating employees or organizations. Good performance is a step towards achieving organizational goals. Therefore, performance is a determinant in achieving specific goals. The attempts to improve performance are considered important, despite complex factors may cause employees' level of performance (Garry Dessler, 2009). Performance assessment is conducted to identify any problems in the process of performance implementation. It observes the work mechanism, leadership, and human relations in the organization, and detects problems in human resources related to competency, productivity, reward systems, and job satisfaction, and determines measures to overcome such issues in the future (Wibowo, 2007). Performance appraisal is a process carried out by a company in evaluating a person's performance. Performance assessment covers the aspects of employee performance and accountability. System performance assessment is required for several evaluations, namely: Comparative Evaluation, the performance of a system is relatively evaluated to other systems. The purpose of the evaluation is, for instance, the process of purchasing new software or new hardware, selecting a computing service, and evaluating system changes to be modified. Analytic Evaluation, the performance of a computer system is

evaluated based on several system parameters. The objective of this evaluation is to improve performance tuning, carry out performance control and design and implement new systems.

Factors Contributing to System Performance : Perception: Perception is an interpretation of the reliability of each individual in perceiving reality from different perspectives (Winardi, 1991 in Achjari & Widowati, 2004). Wiratno (1998) argued that perception is essentially a cognitive process experienced by each individual in understanding information about their environment, either through sight, hearing, recognition, and feeling. Davis (1989); and Adam. et .al. (1992) in Rahadi (2007) defined perceived usefulness as “the degree to which a person believes that using a particular subject can enhance his or her job performance.” Based on the definition, it can be interpreted that the usefulness of using computers can enhance performance and achievement of the users. User behavior and personal systems are required in system development in which they are related to the understanding and perspectives of the users. Therefore, the perception of the personnel involved in the implementation of the system will influence the final result, success, acceptance, and usefulness of the system. The presence of a new technology, however, may be responded by users, either rejection or acceptance. Therefore, it is necessary to figure out the perception of the users toward a technology. Users are a main factor in the consideration of implementing a new technology. However, the level of readiness of the users to accept the technology has a great influence in determining the success of implementing the technology. Perceptions in using IT to improve system performance include: Perceived Ease of Use in which Nasution (2004) argued that users will prefer IT that is more flexible, easy to understand, and easy to operate as well as able to provide optimum output. A factor contributes to the acceptance or rejection of the system by the users is the connection between users and the use of the system. Users tend to use or not use an application as they perceive it assist their performance in doing their job or tasks.

Perceived usefulness toward User Satisfaction in IT-based Financial System : Users will have an intention in using technology (behavioral intention) if they perceive the technology system useful and easy to use. Perceived usefulness also affects perceived ease of use but not the opposite. Meanwhile, the users of a system will use the system if it is useful, whether the system is easy to use or not (Jogiyanto, 2007).

Motivation: Motivation is the driving force for a person to contribute as much as possible for the success of the organization to achieve its goals (Siagian, 2002: 102). Principally, motivation is a driving force, a desire, a need and willingness. This need consequently underlies a person's behavior to perform an activity. The relationship between motivation and performance is a positive one. Increasing motivation will result in more effort and better work performance, despite the mutual influence of which motivation will produce better performance, while better performance will enhance motivation, because it will lead to the sense of achievement.

Motivation for Using IT-based Financial System: Person who has a positive perceived usefulness toward the use of IT-based systems and believes that the use of a particular system will be able to enhance work performance as well as improve work productivity and effectiveness, will be motivated to use an IT-based financial system so as to improve his/her performance. Consequently, the developed system successfully achieves its goals.

Human Resources Competency: Competency is a deep and enduring part of an individual's personality that is casually related to criterion-referenced effective and/or superior performance in various situations and job tasks. Casually related means a competency causes or predicts behavior and performance. Meanwhile, criterion referenced means a competency actually predicts who performs a task well or poorly as measured based on specific criteria or standards. Competency can be in the form of problem solving skills, cognitive skills and behavioral skills, goals, temperament, self-concept, attitudes and values. Each person can be clearly measured and can be demonstrated to differentiate between superior performance and average achievement (Spencer and Spencer, 1993). The environmental conditions of an institution in the future will change in term of technology and social dimension. On the one hand, technological developments significantly required, while on the other hand, the social responsibility of the organization is increasing. The transition in economic information demands knowledge workers, the level of human resources who have higher knowledge. Meanwhile, global competition has intensified. The market is fragmented in terms of specialization. In IT-based financial management, the HR competency is a key factor. Competency is the ability to carry out a task or job based on knowledge, skills and supported by attitudes that characterize individuals (Wibowo, 2007). A measure of the quality of HR is indicated from the educational background, training and experiences (Griffin, 2004; Wibowo, 2007). Competency of HR is not an instantaneous one as it requires human resource planning and development, commitment from the

leadership and the entire related units/divisions, to achieve progress and the carrying capacity of all instruments, including reward and punishment. The efforts toward the goal are necessary, although it is practically adjusted to the abilities, organizational environment, and work culture being developed within an institution.

Based on the explanation above, the research hypothesis can be formulated as follows:

H1: HR perception has a positive relationship and a significant effect on the performance of the IT-based financial system.

H2: HR motivation has a positive relationship and a significant effect on the performance of the IT-based financial system.

H3: HR competency has a positive effect on the performance of IT-based financial systems.

II. RESEARCH METHOD

The present study was conducted at several universities in the City of Surakarta, Central Java, Indonesia. The research objects were lecturers and employees of finance division who were directly involved in the use of IT-based financial system. The positions of the respondents included deputy dean II, head of study program, treasurer and assistant treasurer.

Table 1. Characteristics of Respondents

Characteristic	N	Percentage (%)
A. Gender		
1. Male	57	56
2. Female	44	44
B. Position		
1. Deputy Dean II	9	8.9
2. Head of Study Program	31	30.7
3. Secretary of Study Program	21	20.8
4. Treasurer and Assistant Treasurer	26	25.7
5. Staffs of Finance Division	14	13.9

Source: Primary Data (Processed, 2016).

The data were obtained by distributing questionnaires to the respondents. The collected data, which were the respondents' responses to the questionnaires, were then processed. Subsequently, the data were analyzed using descriptive and inferential statistics. To measure the dependent variable and the independent variables, a 5-point Likert scale was used, namely: from the response of the respondents who strongly disagree (1) to strongly agree (5). The variables used in the present study consisted of the dependent variable and the independent variables. The independent variables were the perception, motivation, and competency of human resources. The dependent variable was the performance of the IT-based financial system.

III. DATA ANALYSIS

Table 2. Results of Validity and Reliability Tests

Variable	Alpha	Status	Item	CI-CT	Status
Perception (X1)	0.838	Reliable	1	0.65	Valid
			2	0.694	Valid
			3	0.551	Valid
			4	0.534	Valid
			5	0.491	Valid
			6	0.62	Valid
			7	0.613	Valid
Motivation (X2)	0.798	Reliable	1	0.464	Valid
			2	0.563	Valid
			3	0.318	Valid
			4	0.637	Valid

				5	0.541	Valid
				6	0.481	Valid
				7	0.44	Valid
				8	0.5	Valid
				9	0.485	Valid
HR Competency (X3)	0.694	Reliable		1	0.234	Valid
				2	0.364	Valid
				3	0.378	Valid
				4	0.522	Valid
				5	0.584	Valid
				6	0.284	Valid
				7	0.538	Valid
Financial system performance	0.881	Reliable		1	0.636	Valid
				2	0.669	Valid
				3	0.717	Valid
				4	0.624	Valid
				5	0.615	Valid
				6	0.693	Valid
				7	0.729	Valid

Source: Primary Data (Processed, 2016).

Results of Data Validity and Reliability Tests : A summary of the results of the validity and reliability tests is presented in Table 2. The results of the validity test show that 30 questions in the questionnaire are valid. While the reliability test shows that the Cronbach's alpha ranges from 0.694 to 0.881, which is greater than the r table (0.05). It indicates the questionnaire is reliable. Therefore, it can be declared that the questionnaire is suitable as a measuring tool of this study. In testing the research model I, data analysis was carried out using multiple linear regression analysis. Prior the regression analysis, the classical assumption was tested. The classical test results indicate that the data is normally distributed. A summary of the results of the regression analysis is presented in Table 3.

Table 3. Results of Regression Analysis

No	Variable	β	Std. Error	T	Sig
1	Constant	2.345	4.138	0.567	0.567
2	Perception (X1)	-0.118	0.07	-1.687	0.095
3	Motivation (X2)	0.133	0.065	2.060	0.042
4	HR Competency (X3)	0.885	0.082	10.765	0.00

Source: Primary Data (Processed, 2016).

Based on the results of the calculation of Table 3 using the SPSS program, the multiple regression equation can be written as follows:

$$Y = 2.345 - 0.118X_1 + 0.133X_2 + 0.885X_3 + e$$

Table 5. Results of Hypothesis Testing

No	Hypothesis	Description	Result
1	Hypothesis 1	HR perception has a positive relationship and a significant effect on the performance of the IT-based financial system.	Rejected

2	Hypothesis 2	HR motivation has a positive relationship and a significant effect on the performance of the IT-based financial system.	Accepted
3	Hypothesis 3	HR competency has a positive effect on the performance of the IT-based financial system.	Accepted

Source: Primary Data (Processed, 2016).

IV. DISCUSSION

Based on the results of data analysis, it can be explained that perception does not have a significant effect on the performance of the IT-based financial system. Meanwhile, both motivation and competency have a positive effect on the performance of the IT-based financial system. The results of the tests also imply that the first hypothesis in the present study, which is perception has a significant effect on the performance of the IT-based financial system, is rejected. It indicates that the levels of perception shown by the elements of technology dimension have enormous usefulness for the performance of the IT-based financial system, effectiveness of service and reporting, data processing, and flexibility. In addition, it supports activities in financial system management in which the presence of IT-based system assists employees in managing finance but does not affect the performance of the IT-based financial system. Respondents revealed that with or without the presence of IT, employees will still have good performance.

The hypothesis that human resource (HR) motivation has a positive effect on the performance of IT-based financial is accepted. It indicates the greater dimensions that encourage HR motivation, namely IT for carrying out tasks, the ability in observing the results of the work, the satisfaction in completing complex tasks, the presence of support technicians in maintaining and repairing computer application devices, and the optimal usefulness supported by comfort environment, while the institution/organization can improve the competency and expertise of the employees, the creativity in using technology, the assistance in setting and achieving goals, and the provision of new knowledge or the update of technology. Respondents have high motivation as they perceive that the element of IT is intended for the implementation of job or tasks, and they can observe the results of work, have the satisfaction in completing complex tasks, have support technicians in maintaining and repairing computer application devices, and have optimal utilization as supported by comfort environment, the organization/institution can develop the abilities and expertise of the employees, enhance creativity in the use of technology, IT systems assist the organization/institution to set and achieve goals, and the organization/institution can provide new knowledge or update the technology. Based on the results of the tests that have been carried out in this study, the hypothesis that states HR competency has a positive effect on the performance of the IT-based financial system is accepted. It is indicated by the increase in indicator elements, namely computer mastery, computer applications as the basic skills in the IT-based management systems which are supported by training, and workshops on the use of technology system applications into the financial system to increase the performance of employees, and the involvement of expertise, techniques, scientific updating to increase human resource competency in a whole.

V. CONCLUSION

Based on the results of the analysis that has been previously carried out, it can be concluded that HR perception has no effect on the performance of the IT-based financial system. It demonstrates that the levels of perception as indicated by the elements of the technology dimension have enormous usefulness for the performance of the IT-based financial system, effectiveness of service and reporting, data processing, and flexibility. In addition, it supports activities in financial system management in which the presence of IT-based system makes managing finances easier but does not affect the performance of the IT-based financial system. HR motivation has a positive effect on the performance of the IT-based financial system. It shows the higher dimensions that encourage HR motivation, namely the presence of IT for carrying out job or tasks, the ability in observing the outcomes of work, the satisfaction in completing complex tasks, the support technicians for maintaining and repairing computer application devices, and the optimal utilization supported by comfort environment, the institution can develop the abilities and skills of the employees and creativity in the use of technology, IT systems assist the institution/organization to set goals and achieve goals as well as to regularly provide new knowledge or update the technology for enhancing HR motivation. Competency has a positive effect on the performance of the IT-based financial system. It is indicated by the increase in indicator elements, namely computer mastery. Computer applications are the basic skills in the management of IT systems, which supported by training in financial workshops that will increase the performance and comprehensive competency of employees. Techniques and update of knowledge will increase HR competency. The limitation of this study is that it is a measurement of

perception that shows weaknesses from the conceptual aspect. It is possibly due to the explanation of the concept of perception is not understood appropriately by respondents. A further limitation of this study is that the characteristics or the background of the respondents' competency are not measured in detail, therefore in-depth information about the sources of the respondents' competency related to their job or tasks is not available. It is suggested for further studies to modify the research model in this study to be developed for industries or service companies that use information technology. It is also recommended for the management of organizations/institutions regarding the significance of motivation for employees and enrichment of HR competency. Strengthening motivation in the context of this study is an intrinsic one related to the pride about job and the development of employee creativity. Finally, it is important to enrich competency by promoting training and development for employees in accordance with job needs. In relation to the characteristics of IT-related tasks, the training and development shall be related to IT-related competency.

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