

Article History:

Upload: March 22nd 2024;

Revision: March 25th 2024;

Accepted: March 30th 2024;

Available Online: April 10th 2024

The Influence of Financial Accounting Standards for Micro, Small and Medium-Sized Entities Socialization, Accounting Understanding and Education Level on The Implementation of Financial Accounting Standarts (In MSMEs in Cinambo District, Bandung City)

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Definitely there are several roles played by MSMEs in driving economic growth and development throughout the country. With this being the case, financial reporting and funding challenges often plague these firms. These challenges must be resolved to achieve anything. Financial Accounting standars for micro, smalls and mediums-sized entities primary aim is to make accrual-based financial statements simpler and improve bank borrowing. Despite its benefits, Financial Accounting standars for micro, smalls and mediums-sized entities has not been implemented often, especially in Cinambo District, Bandung City. The inadequate training on how to deal with people, failure to understand business language and general lack of knowledge by small scale business operators are some of the reasons why this is happening. Several studies have found that accounting literacy is a significant determinant for the adoption of Financial Accounting standars for micro, smalls and mediums-sized entities. Objectives are set using research methods to address problems. This study uses quantitative research methodologies: descriptive and verification techniques in analyzing factors affecting the application of Simplified Financial Accounting Standards for Micro, Small, and Medium Entities (Financial Accounting standars for micro, smalls and mediums-sized entities) in Cinambo District, Bandung City, Indonesia. The appraisal of regression analysis involves an assessment of dependability, typicality, hetroscedasticity, the F test and finally the t-test. As shown by two Cronbach's alpha coefficients of 0.740 and 0.901, a reliability assessment demonstrates that there is satisfactory internal consistency for this measurement instrument. The test for normality indicates that it does exist. Heteroscedasticity shows no trend in the distribution of data sets. The high F value (14.811) and low significance (0.000) of the F test show that the regression model is significant. The t test shows that the variables "Socialisation of Financial Accounting standars for micro, smalls and mediums-sized entities" and "Accounting Understanding" are considerably affecting the variable "Application of Financial Accounting standars for micro, smalls and mediums-sized entities," whereas the variable "Education Level" has a less strong one.

Keywords: Accounting, Education, Financial Accounting Standars, Implementation, MSMEs, Socialization

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Introduction

Indonesia, as a developing nation, places significant emphasis on fostering economic growth and development, which is seen by the presence of a wide range of both large-scale and small-scale enterprises. Micros, Smalls, and Mediums Enterprises (MSMEs) represent a viable economic sector in Indonesia that holds potential for growth and development within the national economy. Micros, Smalls, and Mediums Enterprises (MSMEs) have the potential to stimulate economic growth in Indonesia, as the success of these enterprises consistently leads to annual growth.

Micro, Smalls, and Mediums Enterprises (MSMEs) refer to efficiency businesses that are owned by individuals or teammate business entities. These businesses must satisfy the criteria of being micro-enterprises, small businesses that operate independently without essence subsidiaries or branches of larger companies, and medium-sized businesses that operate independently without essence subsidiaries or branches of larger companies. Additionally, these businesses must demonstrate a specific level of wealth and sales performance.

However, MSME actors experience many problems, one of which is the difficulty of obtaining funding loans such as bank credit as additional business capital. Most MSME actors still use personal capital in running their businesses, because it is difficult to make financial reports which are a requirement for obtaining loans from banks (Febriyanti & Wardhani, 2018).

According to (Melda, Arini, & Yulinda, 2020), Typically, micro, small, and medium enterprises (MSMEs) frequently encounter developmental setbacks stemming from unresolved issues encompassing human resources (HR) capabilities, ownership, financing, marketing, and other business management-related challenges. An issue pertaining to human resources is the limited comprehension of MSME accounting.

To overcome this problem, The simplified Financial Accounting Standardies for Micro, Small, and Medium Entities (Financial Accounting standars for micro, smalls and mediums-sized entities) were adopted by the Indonesian Accounting Association on January 1, 2018, replacing Financial Accounting Standards for Entities without Public Accountability. Financial Accounting standars for micro, smalls and mediums-sized entities aims to facilitate the shift of MSME participants from cash from based financial reporting to accrual-based financial reporting, enabling them to secure broader access to bank funding.

However, based on the results of pre-research on MSMEs in Cinambo District, Bandung City, only 41% of respondents have applied Financial Accounting standars for micro, smalls and mediums-sized entities to their financial statements, while the other 59% of respondents have not implemented it. This is due to the lack of socialization Financial Accounting standars for micro, smalls and mediums-sized entities, low understanding of accounting, and the education level of the majority of MSME actors only up to Highschool.

Previous research conducted (Larasati & Farida, 2021) stated that comprehensif has a positive and significant effect on the application of Financial Accounting standars for micro, smalls and mediums-sized entities. Research conducted (Pardita, Julianto, & Kurniawan, 2019) also concluded that accounting understanding has a positive and significant effect on the application of Financial Accounting standars for micro, smalls and mediums-sized entities.

Financial Accounting

(Weygandt, Kimmel, & Kieso, 2018): 3) " An information system called financial accounting is used to identify, document, and notify interested parties about the economic activity occurring within organisations."

Meanwhile, according to (Kieso, Weygandt, Warfield, Wiecek, & McConomy, 2019): 33) "The creation of corporate financial reports for use by both internal and external stakeholders is the process of financial accounting. Users of these financial statements may include investors, creditors, managers, and government agencies."

Financial Report

According to the (Indonesian Accounting Association, 2018): 23) "describes the meaning of financial statements which reads An entity's financial condition and performance are presented in an organised manner in its financial statements."

Meanwhile, according to (Kasmir, 2018): 7) "financial case are reports that fact the company financial condition at this time or within a certain period."

Implementation of Financial Accounting standars for micro, smalls and mediums-sized entities

According to (Putri & Nurcaya, 2019) Application is a process, method or action as an ability to improve the materials learned with a plan that has been systematically arranged, such as methods, concepts and theories.

According to (Indonesian Accounting Association, 2018): 1), Financial accounting standards for micros, smalls and mediums entities are "Entities without significant *public* accountability by presenting reports for parties that use financial statements.". Financial Accounting standars for micro, smalls and mediums-sized entities aims to make it easier for MSME players to prepare financial reports, this is due to the limited knowledge that MSME players have."

Socialization of Financial Accounting standars for micro, smalls and mediums-sized entities

According to (Janrosl, 2018) "The process of socialisation of Financial Accounting standars for micro, smalls and mediums-sized entities involves teaching them how to coordinate their behaviour with that of others, how to adapt to their surroundings, and how to study in accordance with the laws that are in effect at the time."

According to (Richter, Kraus, Brem, Durst, & Giselbrecht, 2017) "Socialization with Financial Accounting standars for micro, smalls and mediums-sized entities is the socialization obtained by MSME owners regarding Financial Accounting standars for micro, smalls and mediums-sized entities obtained from related parties that can help socialize, such as those listed below the Office of Cooperate and Micro Businesses, the Indonesian Accountants Association, or other institutions."

Accounting Understanding

According to (Susanto, 2016):7) "Having a thorough grasp of a subject allows one to effectively articulate and interpret it. This implies that individuals who possess a deep understanding are capable of clearly explaining or reiterating the information they have acquired."

According to (Hartono & Rahmi, 2018, p. 2), "Accounting is an art (said to be an art because it needs neatness, accuracy, cleanliness) recording, classifying, summarizing, and reporting in a good way in monetary units of financial transactions and other events related to company finances and interpreting the results of these records."

Education Level

According to (Rahman, Munandar, Fitriani, Karlina, & Yumriani, 2022): 110), " A student's developmental stage, the objectives to be met, and the skills acquired are taken into consideration while determining their educational level."

According to (Wirawan, Bagia, & Susila, 2016): 3) The level of education refers to an individual's engagement in the process of acquiring skills, attitudes, and behavioral patterns that are essential for their future endeavors, whether through formal educational institutions or informal means.

Hypothesis

Hypothesis according to (Sugiyono, 2020): 99), " A hypothesis is a provisional response to the formulation of research issues, which are expressed as question sentences. The ephemeral nature

of the replies is attributed to their reliance on pertinent theories rather than empirical evidence derived from data collection. The hypothesis is a theoretical response to the research difficulties, rather than an empirical response.

Meanwhile, according to (Sudaryono, 2018); 352) "Hypotheses are temporary answers to the formulation of problems or sub-problems proposed by researchers, which are elaborated from the theoretical basis or studies and still have to be tested for their truth."

Based on the problem formulation, research objectives, and framework that have been described, the authors propose the following research hypothesis:

1. There is an influence of Financial Accounting standars for micro, smalls and mediums-sized entities Socialization on the Application of micro, smalls and mediums-sized entities Financial Accounting Standards.
2. There is an effect of Accounting Understanding on the Application of micro, smalls and mediums-sized entities Financial Accounting Standards.
3. There is an effect of Education Level on the Application of micro, smalls and mediums-sized entities Financial Accounting Standards.

There is an effect of Financial Accounting standars for micro, smalls and mediums-sized entities Socialization, Accounting Understanding, and Education Level on the Application of micro, smalls and mediums-sized entities Financial Accounting Standards simultaneously.

The description of the research framework is as follows:

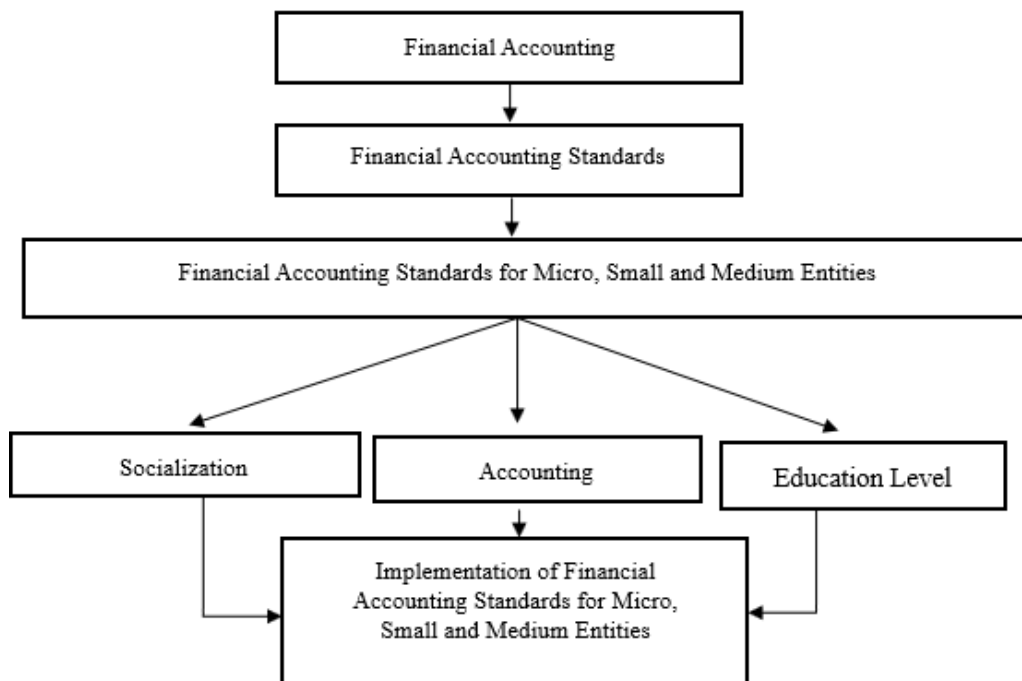


Figure 1. Frame of Mind

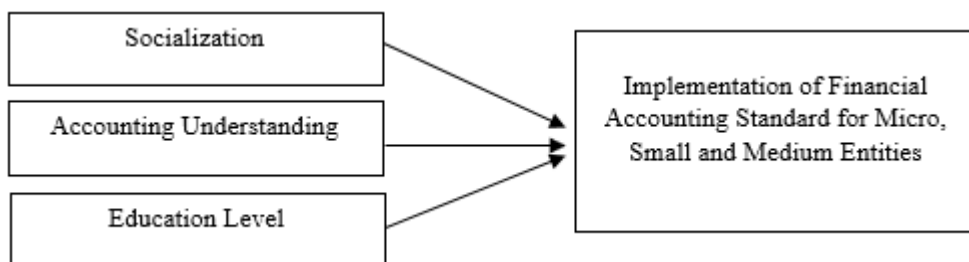


Figure 2. Research Model

Methods

A study requires a method to facilitate the performance of researchers. The research method is a tool in achieving goals to solve a problem.

Research methodology according to (Sudaryono, 2018): 69) is "a branch of science that discusses or questions ways of carrying out research based on scientific facts or symptoms".

According to Sugiyono (2020: 2) The research technique is defined as "a scientific approach to the collection of data with particular applications and purposes." It is important to consider four key factors: scientific methods, data, objectives, and certain uses. Research activities are conducted with scientific characteristics, which include being rational, empirical, and systematic.

The research methodology is structured by following a series of research phases, which encompass the identification of operational variables, the determination of data sources and kinds, the selection of data collection methods, and the final stages of technical analysis and hypothesis testing. The authors employed quantitative research methodologies, specifically descriptive and verification approaches, in this work.

Operational Variables

According to (Sugiyono, 2018): 68) research variables are " Whatever the researcher choose to investigate in order to gather data and make judgements about it."

According to (Pandoyo, 2018): 162) operational variables are "A technique for quantifying ideas and the manner in which a notion needs to be quantified in order for there to be variables that both influence and are influenced by one another, specifically variables that have the potential to produce more issues and variables whose circumstances and conditions depend on other variables."

Table 2. Operational Variables

Variables	Variable Concept	Indicator	Questionnaire No.
Implementation of Financial Accounting standars for micro, smalls and mediums-sized entities (Y)	The Financial Accountings Standards for Micro, Small, and Medium Entities refer to entities that lack substantial public responsibility and are responsible for submitting reports to stakeholders who rely on financial accounts. Financial Accounting standars for micro, smalls and mediums-sized entities aims to make easier for MSME players for prepare financial reports, this is due to the limited knowledge that MSME players have." (Indonesian Accounting Association, 2018):1)	1. Knowledge of Financial Accounting standars for micro, smalls and mediums-sized entities	1-3
		2. Application of accounting	4
		3. Taking notes	5
		4. Present the report	6
		5. Completeness of financial statements	7
		6. Financial statements in accordance with Financial Accounting standars for micro, smalls and mediums-sized entities	8-10
Socialization of Financial Accounting standars for micro, smalls and mediums-sized entities (X)	The socialisation of Financial Accounting standars for micro, smalls and mediums-sized entities refers to the process through which owners of micro, small, and medium enterprises (MSMEs) acquire knowledge and understanding of Financial Accounting standars for micro, smalls and mediums-sized entities. This knowledge is typically received from relevant entities, including institutions such as the Indonesian Accountants Association, the Office of	1. Socialization.	11-12
		2. Use financial accounting standards	13
		3. Simpler than SAK ETAP	14
		4. Make it easy to manage the business.	15
		5. Business development.	16-17

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Variables	Variable Concept	Indicator	Questionnaire No.
	Cooperatives and Micro Businesses, or other pertinent entities. According to (Richter et al., 2017)		
2Accounting Comprehension (X)	Understanding is the capacity to elucidate and decipher anything, implying that an individual who has comprehended something or acquired comprehension will be capable of elucidating or reiterating what they have received. (Susanto, 2016):7)	1. Understand Accounting transactions.	18
		2. Documentation of every transaction	19
		3. Understand the stages of preparing financial statements.	20
		4. Understand accounting records	21
		5. Understand the preparation of financial statements	22-25
		6. Able to make financial reports prepared in compliance with Financial Accounting Standards	26
3Education Level (X)	A person's level of education is an activity that helps him improve his skills, attitudes, and behavioural patterns for both the future and for his current life, whether those behaviours are organised through organisations or not. (Wirawan et al., 2016)	1. Formal Education	27
		2. Informal Education	28

Data Type

The type of data used in this study is quantitative data. According to (Sugiyono, 2020): 12), quantitative data is "Data in the form of numbers, or qualitative data that is scored."

Quantitative data is obtained from filling out questionnaires distributed to MSME actors in Cinambo District, Bandung City.

Data Source

The data source used in this research is primary data, because to get the data needed, researchers need to make and distribute questionnaires to several predetermined respondents.

Primary data according to (Sugiyono, 2020): 194) is "Data is collected directly from the sources. After distributing a questionnaire to participants, data is collected through methodical question answers. There are also answer options provided, and respondents can select the correct answer."

Primary data collection to obtain direct data, namely from MSME actors in Cinambo District, Bandung City.

Data Collection Technique

According to (Sugiyono, 2020): 193), data collection techniques are "The most strategic step in research, because the main purpose of research is to get data." In this study, the authors used the following data collection techniques:

1. Interview

According to (Sugiyono, 2020): 194), A conversation with a defined goal carried out by two people, the interviewer asking questions and the interviewee responding to the questions, is called an interview.

2. Field Research

According to (Sugiyono, 2020): 199), field research is "research in which the source of field research data is the subject of inquiry utilising a questionnaire or questionnaires, and where data are collected directly from the field. Questionnaires come in two varieties: closed and open. The used questionnaire is closed, meaning that the answers are predetermined, leaving the respondent to simply select and respond.

3. Literature Technique

According to (Sugiyono, 2020): 203), the literature technique is "Research where data is not obtained from the field but from libraries or other places that store references, documents containing data that have been tested for validity." In this study, the authors studied literature from books, journals, articles, laws and regulations and previous research that had a relationship with the problem to be studied.

Research Population

According to (Sugiyono, 2020): 126), Population refers to a specific group of objects or subjects that researchers study in order to draw conclusions."

Table 3. Research Population

No.	Village	Number of MSMEs in Cinambo Sub-district
1	Babakan Penghulu	5
2	Cisaranten Wetan	18
3	Sukamulya	23
4	Pakemitan	14
TOTAL		60

Source: Cinambo Sub-district Office (2022)

Research Sample

The sampling technique in this study *used Non-Probability Sampling* with a *saturated sampling* approach. According to (Sugiyono, 2020): 85) Saturated Sample Selection refers to a sampling method that involves the inclusion of all individuals in the 'population as part of the sample. The sample data that will be used in this study is the population of MSMEs in Cinambo District, Bandung City, totalling 60 units.

Research Instrument Testing

To be able to determine that the data is guaranteed and reliable, it is necessary to test the questionnaire in order to obtain valid and reliable data through the research instrument.

According to (Sugiyono, 2020): 156), a research instrument is "A tool used to measure observed natural and social phenomena, specifically all of these phenomena are called research variables, so the research instruments used are widely available and have been tested for validity and reliability." Based on this explanation, the authors will test the research instrument using the SPSS version 26 program.

Data Analysis Technique

After data is obtained through data collection, the next step is to process and analyse the collected data to interpret the data.

According to (Sugiyono, 2020): 206), activities in data analysis are "Tasks to be completed once data has been gathered from all participants. Activities in data analysis involve organising data according to different variables, presenting data for each variable examined, conducting calculations to address specific problems, and doing calculations to test proposed hypotheses."

Results
Descriptive Analysis

Table 4. Results Descriptive

Descriptive Statistics	Mean	Std. Deviation	N
Implementation of Financial Accounting standars for micro, smalls and mediums-sized entities	39.1000	5.59267	60
Socialization of Financial Accounting standars for micro, smalls and mediums-sized entities	25.8500	3.62583	60
Accounting Understanding	28.9000	5.83299	60
Education Level	7.3000	1.95110	60

The interpretation of the descriptive statistics given is as follows:

1. The implementation of Financial Accounting standars for micro, smalls and mediums-sized entities has an average score of 39.1 with a standard deviation of 5.59 from a total of 60 respondents. This indicates that most respondents have a fairly high level of implementation, with quite significant variations among respondents.
2. Socialization of Financial Accounting standars for micro, smalls and mediums-sized entities has an average score of 25.85 with a standard deviation of 3.63 from a total of 60 respondents. This shows that most respondents have a relatively high level of participation in socialization, with lower variation compared to the previous variable.
3. Accounting understanding has an average score of 28.9 with a standard deviation of 5.83 from a total of 60 respondents. This indicates that most respondents have a relatively good understanding of accounting, with considerable variation between them.
4. Education level has an average score of 7.3 with a standard deviation of 1.95 from a total of 60 respondents. This indicates that most respondents have relatively similar levels of education, with lower variations compared to other variables.

Overall, the data shows that most respondents have relatively good levels of Financial Accounting standars for micro, smalls and mediums-sized entities implemetation and accounting understanding, as well as similar levels of education. Socialization Financial Accounting standarts of micro, smalls and mediums-sized entities shows a good level, albeit with lower variation.

Correlation Level

Table 5. Results Correlation Level

		Correlations			
		Implementation of Financial Accounting Standars for MSMEs	Socialization of Financial Accounting standars for MSMEs	Accounting Understanding	Education Level
Pearson Correlation	Implementation of Financial Accounting standars for MSMEs	1.000	0.562	0.518	0.463
	Socialization of Financial Accounting standars for MSMEs	0.562	1.000	0.450	0.426
	Accounting Understanding	0.518	0.450	1.000	0.339
	Education Level	0.463	0.426	0.339	1.000
Sig. (1-tailed)	Implementation of Financial Accounting standars for MSMEs	.	0.000	0.000	0.000

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		Correlations			
		Implementation of Financial Accounting Standars for MSMEs	Socialization of Financial Accounting standars for MSMEs	Accounting Understanding	Education Level
	Socialization of Financial Accounting standars for MSMEs	0.000	.	0.000	0.000
	Accounting Understanding	0.000	0.000	.	0.004
	Education Level	0.000	0.000	0.004	.
N	Implementation of Financial Accounting standars for MSMEs	60	60	60	60
	Socialization of Financial Accounting standars for MSMEs	60	60	60	60
	Accounting Understanding	60	60	60	60
	Education Level	60	60	60	60

The interpretation of the correlation given is as follows:

1. Between Financial Accounting standars for micro, smalls and mediums-sized entities Implementation and Financial Accounting standars for micro, smalls and mediums-sized entities Socialization, there is a positive correlation of 0.562 which is statistically significant ($p < 0.001$). This means that the higher the level Financial Accounting standars of micro, smalls and mediums-sized entities implementation, the higher the level of and Financial Accounting standars for micro, smalls and mediums-sized entities socialization, and vice versa.
2. There is also a positive correlation of 0.518 between Financial Accounting standars for micro, smalls and mediums-sized entities implementation and accounting understanding, which is statistically significant ($p < 0.001$). This shows that the higher the level of application of Financial Accounting standars for micro, smalls and mediums-sized entities, the better the respondents' accounting understanding, and vice versa.
3. Between Financial Accounting standars for micro, smalls and mediums-sized entities Socialization and Accounting Understanding, there is a positive correlation of 0.450 which is statistically significant ($p < 0.001$). This indicates that the more active respondents are in the socialization of Financial Accounting standars for micro, smalls and mediums-sized entities, the better their understanding of accounting.
4. There is a positive correlation of 0.463 between Financial Accounting standars for micro, smalls and mediums-sized entities implementation and education level, which is statistically significant ($p < 0.001$). This means that the higher a person's level of education, the higher the likelihood of them implementing Financial Accounting standars for micro, smalls and mediums-sized entities, and vice versa.
5. There is also a positive correlation of 0.426 between Financial Accounting standars for micro, smalls and mediums-sized entities socialization and education level, which is statistically significant ($p < 0.001$). This indicates that the higher a person's education level, the more active they are in socializing Financial Accounting standars for micro, smalls and mediums-sized entities.
6. Between Accounting Understanding and Education Level there is a positive correlation of 0.339 which is statistically significant ($p = 0.004$). This indicates that the higher a person's level of education, the better their understanding of accounting.

Overall, these correlations indicate a significant relationship between the variables observed in this study, such as the relationship between Financial Accounting standars for micro, smalls and

mediums-sized entities implementation, Financial Accounting standars for micro, smalls and mediums-sized entities socialization, accounting understanding, and respondents' education level.

Validity Test

Table 6. Result Validity

Variable	Results
Socialization of Financial Accounting standars for MSMEs (X) ₁	0.563'
	0.460'
	0.264'
	0.303'
	0.370'
	0.563'
	0.470'
Accounting Comprehension (X) ₂	0.600'
	0.552'
	0.627'
	0.450'
	0.606'
	0.521'
	0.621'
Education Level (X) ₃	0.494'
	0.589'
	0.608'
	0.331'
	0.704'
	0.574'
Implementation of Financial Accounting standars for MSMEs (Y)	0.712'
	0.299'
	0.504'
	0.304'
	0.449'
	0.534'
	0.415'
0.461'	

From the table of validity test results with a table value of 0.254, we can evaluate the correlation coefficient between the independent variable (Socialization of Financial Accounting standars for micro, smalls and mediums-sized entities, Accounting Understanding, Education Level) and the dependent variable (Application of Financial Accounting standars for micro, smalls and mediums-sized entities). A correlation coefficient greater than 0.254 indicates a significant relationship between these variables.

The following is the interpretation for each variable:

- 1. Socialization of Financial Accounting standards of micro, smalls and mediums-sized entities (X1):**
 - a. From the data provided, the correlation coefficient ranges between 0.264 and 0.563.
 - b. There are indications that the socialization of Financial Accounting standars for micro, smalls and mediums-sized entities has an influence on the application of Financial Accounting standars for micro, smalls and mediums-sized entities. The higher the level of socialization, the higher the level of application of Financial Accounting standars for micro, smalls and mediums-sized entities.
- 2. Accounting Comprehension (X2):**
 - a. The correlation coefficient ranged between 0.450 and 0.627.
 - b. Accounting understanding also has an influence on the application of Financial Accounting standars for micro, smalls and mediums-sized entities. The higher the

understanding of accounting, the higher the level of application of Financial Accounting standars for micro, smalls and mediums-sized entities.

3. Education Level (X3):

- a. The correlation coefficient ranged between 0.331 and 0.704.
- b. There are indications that the level of education also affects the application of Financial Accounting standars for micro, smalls and mediums-sized entities. The higher a person's level of education, the higher the level of application of Financial Accounting standars for micro, smalls and mediums-sized entities.

The findings of this study lead to the conclusion that there exists a substantial association between the three independent factors, namely Socialisation of Financial Accounting standars for micro, smalls and mediums-sized entities, Accounting Understanding, and Education Level, and the dependent variable, Application of Financial Accounting standars for micro, smalls and mediums-sized entities.

Reliability Test

Table 7. Results Reability

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,740	0,901	28

The interpretation of the Cronbach's Alpha and Cronbach's Alpha reliability results based on standardized items is as follows:

1. Cronbach's Alpha: 0.740

- a. This value indicates a good level of reliability for the internal consistency of the set of items measured in the instrument or test.
- b. If Cronbach's Alpha is above 0.7, the instrument is considered to have good internal consistency. Thus, the value of 0.740 indicates that the set of items measured in this test has a fairly good level of internal consistency.

2. Cronbach's Alpha Based on Standardized Items: 0.901

- a. This indicates a very high level of reliability.
- b. A value higher than 0.9 indicates that the test has an excellent level of internal consistency.
- c. This result shows that when the items are measured in the same way, the reliability is very high.

The number of items measured is 28, which is quite large, and it also supports better reliability as it has multiple questions to measure the same concept. This, reliability results indicate that this instrument or test can be relied upon to measure the intended construct consistently, both as a whole and if we evaluate each item separately.

Normality Test

Table 8. Results Normality

Test Statistic	0,064
Asymp. Sig. (2-tailed)	0.200 ^{c,d}

The normality test results show a test statistic value of 0.064 and a significance value (2-tailed) of 0.200.

The interpretation of the results of this normality test is as follows:

1. Test Statistic (0.064):

- a. The test statistic is the value that results from the normality test, and its value indicates how far the data distribution is from a normal distribution.

- b. A value close to zero indicates that the data distribution tends to be close to a normal distribution.
- 2. Asymp. Sig. (2-tailed) (0.200):
 - a. The significance value (p-value) indicates the probability that the data distribution is normal.
 - b. In this case, the significance value is 0.200, which is greater than the standard alpha level (0.05).
 - c. Therefore, there is not enough evidence to reject the null hypothesis that the data is normally distributed.

Thus, based on the results of this normality test, we can conclude that the data tends to be normally distributed due to the low test statistic value and high significance value, although formally it cannot be said with certainty that the data distribution is completely normal.

Heteroscedasticity Test

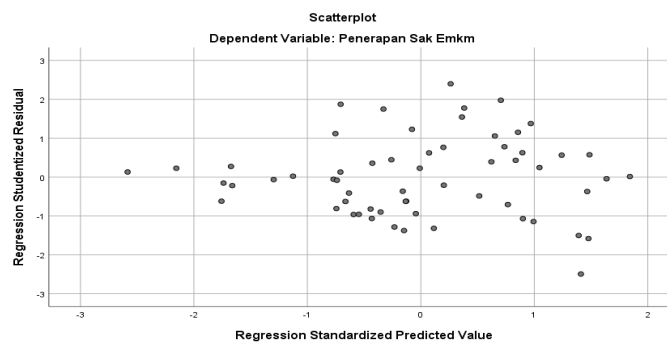


Figure 3. Results Heteroscedasticity

Based on the image provided, it is evident that this study does not show any symptoms of heteroscedasticity. The tests performed show that the plotted points are evenly distributed above, below, and around zero. The points are not concentrated only at the extremes of zero, and there is no discernible pattern or regular shape in their distribution.

F test

Table 9. Results F

	Model	F	Sig.
1	Regression	14.811	0.000 ^b
	Residuals		
	Total		

The F test results you provided are part of the regression analysis. The interpretation is as follows:

1. **Regression Model:**
 - a. Regression models are employed to ascertain the presence of a statistically significant relationship between the dependent variable and at least one of the independent variables.
 - b. The F value is a test statistic that evaluates the overall significance of the regression model.
 - c. A higher F value signifies that the regression model, when considered collectively, exerts a statistically significant impact on the dependent variable.
2. **F value (14.811):**
 - a. A high F value indicates that there is a significant relationship between the independent variables (or at least one of the independent variables) and the dependent variable.
 - b. This value indicates that the regression model as a whole has a significant effect on the dependent variable.

3. Significance (Sig.) (0.000):

- a. The significance value (p-value) shows how significant the effect of the regression model is on the dependent variable.
- b. In this case, the significance value is very small (0.000), which indicates that the regression model is significantly different from zero. In other words, the regression model as a whole has a significant effect on the dependent variable.

Based on the outcomes of the F test, it may be inferred that the regression model exhibits a statistically significant impact on the dependent variable, as evidenced by a substantial F value and a relatively low level of significance.

T test

Table 10. Result T

	Model	T	Sig
1	(Constant)	3.115	0.003
	Socialization of Financial Accounting standars for MSMEs	2.843	0.006
	Accounting Understanding	2.568	0.013
	Education Level	1.971	0.054

In the t-test results you provided, each independent variable is tested separately against the dependent variable in the regression model. The interpretation of the t-test result is as follows:

- 1. Independent variable "Socialization of Financial Accounting standars for micro, smalls and mediums-sized entities ":**
 - a. The t value for this variable is 2.843 with a significance of 0.006.
 - b. Because the t value (2.843) is greater than the t table value (1.671) and the significance (0.006) is less than alpha (usually 0.05), this variable significantly affects the dependent variable (Application of Financial Accounting standars for micro, smalls and mediums-sized entities) at the 95% confidence level.
- 2. Independent Variable "Accounting Understanding":**
 - a. The t value for this variable is 2.568 with a significance of 0.013.
 - b. As before, because the t value (2.568) is greater than the t table value (1.671) and the significance (0.013) is smaller than alpha, this variable also significantly affects the dependent variable (Application of Financial Accounting standars for micro, smalls and mediums-sized entities) at the 95% confidence level.
- 3. Independent Variable "Level of Education":**
 - a. The t value for this variable is 1.971 with a significance of 0.054.
 - b. The t value (1.971) is smaller than the t table value (1.671), but the significance (0.054) is still quite close to alpha (0.05).
 - c. Thus, this variable can be considered to have an effect on the dependent variable at the 90% confidence level, but not significantly at the 95% confidence level.

From the results of this t test, it can be concluded that the Financial Accounting standars for micro, smalls and mediums-sized entities Socialization and Accounting Understanding variables significantly affect the dependent variable (Application of Financial Accounting standars for micro, smalls and mediums-sized entities), while the Education Level variable has a weaker effect and is not significant to the dependent variable at the 95% confidence level.

Discussion

- 1. Socialization of Financial Accounting Standards:** The variable related to the socialization of financial accounting standards shows a significant positive effect on the application of these standards for micro, small, and medium-sized entities. This implies that efforts directed towards disseminating and familiarizing stakeholders with these standards

contribute significantly to their adoption and implementation. Such efforts might include educational programs, training sessions, or awareness campaigns targeted at relevant stakeholders within these entities.

According to (Larasati & Farida, 2021), socialization improves the use of Financial Accounting standards for micro, smalls and mediums-sized entities. This implies that the implementation of Financial Accounting standards for micro, smalls and mediums-sized entities will be better and more consistent the more often rules are socialized or financial reports are prepared using Financial Accounting standards for micro, smalls and mediums-sized entities. According to (Zerlina, Silfi, & Hariyani, 2023), socialization has no discernible impact on the use of Financial Accounting standards for micro, smalls and mediums-sized entities. This demonstrates that business actors' application to create financial reports based on Financial Accounting standards for micro, smalls and mediums-sized entities is not always impacted by their successful socialization of Financial Accounting standards for micro, smalls and mediums-sized entities.

- 2. Accounting Understanding:** Similarly, the variable associated with accounting understanding exhibits a significant positive impact on the application of financial accounting standards for micro, small, and medium-sized entities. This suggests that a deeper comprehension of accounting principles and practices among stakeholders enhances their ability to apply these standards effectively. Investing in educational initiatives or providing resources to improve accounting knowledge can potentially lead to better compliance and application of financial reporting standards.

According to (Susilowati, Marina, & Rusmawati, 2021) & (Pardita, Julianto, & Kurniawan, 2019) applying Financial Accounting standards for micro, smalls and mediums-sized entities is positively and significantly impacted by accounting knowledge. Business actors will undoubtedly generate financial reports in compliance with Financial Accounting standards for micro, smalls and mediums-sized entities once they have a thorough understanding of accounting and the accounting process.

- 3. Level of Education:** The variable representing the level of education also demonstrates an effect on the application of financial accounting standards, albeit not statistically significant at the 95% confidence level. However, the significance level is relatively close to the threshold, indicating a potential influence. While the effect may not be as pronounced as the other variables, it still suggests that individuals with higher levels of education may exhibit a greater propensity to apply financial accounting standards effectively. Therefore, while not statistically significant at the 95% confidence level, the influence of education level warrants attention, especially considering its broader implications for professional development and capacity-building initiatives.

According to (Zerlina, Silfi, & Hariyani, 2023) research findings, the use of Financial Accounting standards for micro, smalls and mediums-sized entities is positively correlated with educational attainment. It will be more challenging to comprehend and implement Financial Accounting standards for micro, smalls and mediums-sized entities if MSME actors have low levels of education. According to (Larasati & Farida, 2021) research findings from 2021, there is no relationship between education level and the use of Financial Accounting standards for micro, smalls and mediums-sized entities in MSMEs in Kebumen Regency. Even if the steps in creating profit and loss statements and financial position reports are straightforward, MSME actors with a high school degree will be able to comprehend them.

Conclusion

Micro, Small, and Medium Enterprises (MSMEs) refer to productive businesses that are owned by individuals or individual business entities. These businesses must satisfy the criteria of being micro-enterprises, small businesses that operate independently and are not subsidiaries or branches of larger companies, and medium-sized businesses that operate independently and have a specific level of wealth and sales performance. The success of MSME enterprises is crucial for driving Indonesia's economic growth, since it consistently contributes to the overall increase in economic growth. MSMEs have the capacity to utilise a significant amount of labour, primarily consisting of household business activities. Micro, Small, and Medium Enterprises (MSMEs) encounter numerous challenges, including the arduous task of securing financial loans, such as bank credit, to augment their business capital. Micro, Small, and Medium Enterprises (MSMEs) frequently encounter developmental setbacks stemming from unresolved issues encompassing human resource capability, ownership, financing, marketing, and other business management-related challenges. Micro, Small, and Medium Enterprises (MSMEs) constitute a viable sector for economic growth in Indonesia. Small and Medium Enterprises (MSMEs) possess the capacity to significantly absorb labour and exert a substantial influence on the unemployment rate in Indonesia. Micro, Small, and Medium Enterprises (MSMEs) encounter numerous challenges, including obstacles in securing financial loans and setbacks in their growth. The implementation of Financial Accounting standards for micro, smalls and mediums-sized entities can be positively and significantly influenced by the socialisation, comprehension of accounting, and educational attainment of MSME players. The utilisation of Financial Accounting standards for micro, smalls and mediums-sized entities can facilitate the process of financial report preparation for actors in the MSME sector.

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