

## Research Paper

# Factors That Influence the Intention of MSMEs to Apply Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM) in Malang City

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**ORCID**Nurika Restuningdiah: <https://orcid.org/000-0001-8329-3993>**Abstract.**

The intention of MSMEs to implement SAK EMKM is as a form of effort by MSME actors in using SAK EMKM, the use of SAM EMKM is as a guide or guideline when making business financial reports. The purpose of holding this study is to understand the influence of understanding SAK EMKM, self-motivation, and participation in socialization and training on the intention of MSMEs to implement SAK EMKM in Malang City.

The research carried out is classified as an explanatory type of quantitative research, where the population is all MSMEs in Malang City which has been recorded by the Office of Cooperatives, Industry, and Trade, which is 3915 units. The study was conducted using primary data, where questionnaires were distributed to respondents. The sample was obtained using a simple random sampling method that resulted in 100 respondents. As a data analysis method, this study applies multiple linear regression analysis methods. Based on the results of the study, it can be proved that: 1) Understanding SAK EMKM has a significant positive effect on the intention of MSMEs to implement SAK EMKM. 2) Self-motivation does not affect the intention of MSMEs to implement SAK EMKM. 3) Participation in socialization and training has a significant positive effect on the intention of MSMEs to implement SAK EMKM. The suggestion for the next research is to pay more attention to the process of filling out the questionnaire to reduce the risk of the dishonesty of respondents, besides that it is also advisable to examine other factors such as digitization and human resources.

**Keywords:** MSME intention to implement SAK EMKM, understanding SAK EMKM, self-motivation, participation in socialization and training

## 1. Introduction

The MSME sector in Indonesia contributes 50% to GDP in Indonesia (Faisal, 2020). However, from a total of 60 million MSMEs, there are only 37 million MSMEs that are bankable (Sumanto, 2020). The reason some MSMEs are still not bankable according to Cepeda & Monteiro (2020), AA & S, (2016), and Afdalia (2010) is because MSMEs still mix business-owned financial records with private ones, as well as very simple records,

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namely daily recording, weekly, to monthly only (East Java Department of Cooperatives and SMEs, 2019).

According to Hutagaol (2012) and Muslichah et al. (2020) several things cause MSMEs still not be able to apply appropriate standards in business financial records, namely because of low education, there is still a perception that the application of accounting standards is very complicated, and public accounting understanding is still low. This results in a lack of information about how much income, expenses, and profits are owned by the business (M. Ajekwe & Ibiamke, 2020).

The recording of the MSME Crisis Center in March 2020 shows that around 3,086 MSMEs have been affected by the COVID-19 pandemic. The government has also prepared assistance for MSMEs to minimize the adverse effects of the pandemic, but this assistance is not effective enough due to the lack of validity of information data from MSMEs (Sumanto, 2020).

Inaccurate information on funding owned by a business will cause creditors to be more careful in providing loans to the business (VanAuken et al., 2016). Because most creditors will provide conditions in the form of good financial statements that are by applicable standards (Rudiantoro & Siregar, 2012).

There are so many accounting standards in the world, in every country must have its financial accounting standards (Ezeagba, 2017). IAI created the Financial Accounting Standards for Micro, Small and, Medium Entities (SAK EMKM) on October 24, 2016 which is simpler than SAK ETAP (Entities Without Public Accountants) which contains a statement of financial position, income statement, and notes to financial statements

Empirical testing to analyze the factors that influence the intention to implement SAK EMKM is still rarely done. This study assumes that the intention of MSME actors to implement SAK EMKM can be predicted by the desire in the hearts of MSME actors to adopt the SAK. MSME's intention to implement SAK EMKM is defined as someone's intention to implement SAK EMKM to use SAK EMKM as a guideline in making financial reports for their business (Handika & Baridwan, 2018).

SAK EMKM is part of accounting. Accounting is a soft technology, namely the engineering process of providing services in the form of quantitative financial information for business units/organizations, and communicating this information to related parties to be used as the basis for making economic decisions (Handika & Baridwan, 2018). Accounting is done in the form of technology because the use of this technology can help and speed up every job. This means that the use of the relevant Technology Acceptance Model (TAM) theory used in this study is research related to accounting technology.

This study uses the Technology Acceptance Model (TAM) as a theoretical basis to see how the role of understanding SAK EMKM, self-motivation, and participation in socialization and training in influencing the intention to adopt accounting technology, namely SAK EMKM. Technology Acceptance Model stated by Davis (1989) is a theory designed to explain how individuals will be able to accept and use information technology. In this case, information technology is SAK EMKM as an accounting standard. To be able to bring up the desire to adopt the technology, it is raised by the factors of understanding SAK EMKM, self-motivation, and participation in socialization and training.

The first factor is the understanding of SAK EMKM. An understanding of SAK EMKM is someone who understands well about the accounting process of SAK EMKM (Adiputra et al., 2017). MSME understanding of SAK EMKM is included in the technology acceptance model on the perceived ease of use variable where the variable explains one's perception of the ease with which they will use information technology (Davis, 1989). The higher the understanding of SAK EMKM owned by the MSME owners, the MSME owners will feel they are capable and will assume that the application of SAK EMKM will be easy to do, so the intention to implement it will be higher. Researchers use the understanding of SAK EMKM because SAK EMKM is part of financial accounting standards, which focus on micro, small and medium enterprises (IAI, 2016).

The second factor is self-motivation. Motivation is a perception of the ease with which they will use information technology (Davis, 1989). The higher the understanding of SAK EMKM owned by the MSME owners, the MSME owners will feel they are capable and will assume that the application of SAK EMKM will be easy to do so that the intention to implement it will be higher. Researchers use the understanding of SAK EMKM because SAK EMKM is part of financial accounting standards, which focus on micro, small and medium enterprises (IAI, 2016).

Another important factor is participation in socialization and training. Participation in socialization and training is closely related to the understanding of the importance of SAK EMKM. Technology acceptance model on the perceived ease of use variable where the variable explains a person's perception of ease when going to use information technology. Participation in socialization and training will increase the ability of MSME actors. From the abilities they have, individuals will feel that the application of SAK EMKM is easy to do because they can do it, compared to individuals who have never participated in socialization and training. From the perception of ease it has, the intention to implement it will be higher and higher. This can result in more entrepreneurs implementing SAK EMKM than entrepreneurs who have never participated in socialization and training before. Research In research been carried out before, the variables of training and

socialization are two different independent variables, but in this study, these two things are united because the Office of Cooperatives, Industry, and Trade often conducts socialization as well as financial reporting training for business actors (Budiman et al., 2020).

In line with the research conducted by Bokol et al. (2020) with the title Understanding of Accounting and Training for the Development of MSME's Financial Statements Based on SAK EMKM which intends to find out the relationship of independent variables of accounting understanding with training in the preparation of financial statements. The research resulted in that understanding accounting did not have a significant effect on the application of SAK EMKM, and training in the preparation of financial statements produced a positive influence in onenhe application of SAK EMKM.

This research was conducted to develop the research of Bokol et al. (2020) because the research was only limited to 65 MSMEs of the Tempe Sanan Chip Industry in Malang City, so the researchers wanted to research with more samples and research objects to other industrial MSMEs in Malang City. In addition, from previous research, there are differences in results that show that understanding accounting has a positive influence on MSME financial reporting based on SAK EMKM (Auliah, 2019), while according to Puspita & Pramono (2019) understanding of accounting has no effect. For training variables, the preparation of financial statements does not seem to have an influence on the financial reporting of MSMEs by SAK EMKM (Auliah, 2019), while according to Bokol et al. (2020) the training on the preparation of financial statements has no effect.

This research uses a research area in Malang City where during the Covid-19 pandemic, the creative economy in Malang City is growing to the range of 3.83-4%. This number is very good compared to other regions which are minusalmostt 6% (Merdeka, 2020). Only MEs in Malanhasve compiled financial reports properly (Rohmah, 2016). So the researcher wants to know how the intention of implementing SAK EMKM in the financial reporting of MSMEs in Malang City is associated with influencing factors.

Based on data from the Office of Cooperatives, Industry, and Trade of Malang City in 2019 the number of MSMEs in Malang City reached 3,915 businesses. Data on MSMEs owned by Diskopindag are 836 businesses in Kedungkandang District, in Sukun District with as many as 1,237 businesses, Lowokwaru District with 17 businesses, in Klojen Distt as many as 564 businesses, ann Blimbing District as 1,234 businesses.

Based on the background above, it is interesting to study which then the author discusses it in a thesis entitled "FACTORS THAT AFFECT THE INTENTION OF MSMEs TO APPLY FINANCIAL ACCOUNTING STANDARDS FOR MICRO, SMALL AND MEDIUM ENTITIES (SAK EMKM) (Study on MSMEs in Malang City)" with the place of research,

namely MSMEs in Malang City and using variables of understanding SAK EMKM, self-motivation, and participation in socialization and training. Based on the background described, the researcher wants to answer several problems as follows:

1. Does the understanding of SAK EMKM have a positive effect on the intention of MSMEs to implement SAK EMKM in Malang City?
2. Does self-motivation have a positive effect on the intention of MSMEs to implement SAK EMKM in Malang City?
3. Does participation in socialization and training has a positive effect on the intention of MSMEs to implement SAK EMKM in Malang City?

## 2. Literature Review

### 2.1. Technology Acceptance Model (TAM)

Technology Acceptance Model (TAM) is a theory used to explain the factors that influence a person's technology adoption. TAM was adopted and developed from the previous theory of Reasoned Action theory or rational behaviour theory (TRA) in the field of social psychology, which explains a person's behaviour through one's intentions. According to Davis (1989), TAM is a theory designed to explain how users understand and use information technology. Davis (1989) said that behavioural intention (BI) to adopted technologies is based on two variables, namely perceived usefulness (PU) and perceived ease of use (PEOU). Behavioural intention is a measure of the strength of a person's desire to adopt a certain technology (Marakarkandy et al., 2017). TAM understands the relationship between humans and technology by understanding the benefits and ease of use. TAM believes that the use of technology can improve the performance of individuals or organizations and make it easier for users to complete their work (Marakarkandy et al., 2017). Davis (1989) posits that TAM describes two main factors influencing the integration of technology.

The first factor is perceived usefulness (PU), which is an evaluation of the existence of expectations (good expectations) from a personal perspective, where the use of certain application systems will improve the quality of work and life, and it is believed that using the application will improve its performance. Perceived usability refers to the degree to which users believe that using technology can improve their performance (Davis, 1989). Although potential users find the technology useful, they may also find the technology too difficult to use, so the attempt to use the technology is not worthwhile. (Adiputra et

al., 2017). Setiawan & Sulistiowati (2018) states that people's tendency to use it or not to use it depends on the level of trust that technology can help them do better.

The second factor is perceived ease of use, which is the user's perception of the ease of use of the technology. Perceived ease of use is defined as the extent to which potential users expect the target system to be easy to implement. In other words, potential users do not expect high difficulties to learn and apply the use of such technologies (Chuttur, 2009; Surendran, 2012). Ease of use is defined as the individual's perception that those who use new technologies will be free from difficulties and painstaking efforts. Both factors affect the willingness to use technology. In addition, the willingness to use technology affects the actual use of technology.

TAM has been widely used in various research and validations through several different situations, conditions, and objects to study the behaviour of individual technological acceptance in the construction of various information systems TAM is useful for examining the behaviour of individual technological acceptance.

## 2.2. MSME Intention to Implement SAK EMKM

The intention is the will or desire in the heart to do something (kbbi.web.id). Intention is also defined as the intent or purpose of an act (www.artikata.com).

Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises states that micro, small and medium enterprises are a business unit that can expand employment opportunities and play a role in providing economic services to the community so that it can level and increase the economic growth of the community.

According to the KBBI, the application is wearing or practicing. Thus, the intention of MSMEs to implement SAK EMKM means the desire in the hearts of MSME actors to practice SAK EMKM in their business financial reporting. According to Handika & Baridwan (2018) the intention of MSMEs to implement SAK EMKM is an individual's intention to implement SAK EMKM in the preparation of financial statements of their business, SAK EMKM is used as a guideline so that the financial statements produced remain in accordance with standards.

## 2.3. Financial statements based on SAK EMKM

According to Harrison et al. (2012) the so-called financial statements are a document that contains financial information of a business intended for business purposes. In

addition to financial information, any changes and results that have been achieved are also stated in the financial statements (Sadeli, 2010).

SAK EMKM (Financial Accounting Standards for Micro, Small, and Medium Entities) is an easier and simpler accounting standard than SAK ETAP. This is a form of efforts made by IAI to improve the community's economy, especially MSMEs (IAI, 2016). SAK EMKM uses only historical costs. And SAK EMKM is used by MSMEs that have not met the accounting requirements regulated in SAK ETAP. Financial statements in accordance with SAK EMKM include:

1. Statement of financial position at the end of the period. Contains cash accounts, cash equivalents, inventories, receivables, fixed assets, bank debt, accounts payable, equity.

2. Income statement over the period, contains income accounts, tax expenses, and financial expenses.

3. Notes on financial statements, only contains additional important information and information that the resulting financial statements are under SAK EMKM.

## 2.4. Understanding SAK EMKM

According to Sardiman A.M (2014) understanding is the ability to interpret, translate certain things and a person's ability to restate what he already knows.

In this context, an understanding of SAK EMKM means someone who truly understands the accounting process of SAK EMKM which is used as a financial reporting guideline (Adiputra et al., 2017). Understanding SAK EMKM is used to find out how far a person's knowledge of SAK EMKM is (Titilayo et al., 2014).

## 2.5. Self-Motivation

Motivation is the individual's drive to act, achieve certain goals and keep the individual interested in performing a certain behavior (Weiner B, 1990).

Self-motivation is the driving force from within the individual to carry out an activity (Sardiman, 2007). It is referred to as internal motivation because self-motivation comes from the personal self of an individual, a desire that arises in the absence of coercion from others. Self-motivation can be described by the individual's desire to progress, the desire to act positively, the desire to succeed (Arifianto & Sukanti, 2014). In this study, self-motivation means encouragement from within an individual to prepare financial statements in accordance with SAK EMKM.

## 2.6. Participation in Socialization and Training

Participation according to the KBBI is to participate in an activity. Meanwhile, according to Sumaryadi (2005) participation is the participation of individuals or groups in the development process both in the form of statements and in the form of activities by providing input such as thoughts, energy, and time.

Socialization according to Pescaru (2018) is a process of communication with the giving of social messages and social influences that will bring development and influence in the individual who receives them.

Michael J. Jucius (1972) in Moekijat (1990) said that training is an activity to introduce to the individual about each process that serves to develop skills, talents and arouse the willingness of an individual to do a certain job.

Meanwhile, participation in the socialization and training of SAK EMKM is the participation of individuals or groups in an activity carried out by certain institutions that provide information, introduce knowledge of SAK EMKM, teach MSME actors about how to report and the rules of SAK EMKM.

## 3. Hypothesis Development

### 3.1. The Effect of Understanding SAK EMKM on the Intention of MSMEs to Implement SAK EMKM

One of the variables of the technology acceptance model is perceived ease of use where the variable explains a person's perception of ease when using information technology. A person's perception of the ease of something can be seen from his ability to use it. Understanding SAK EMKM means the ability of an individual to know how far his knowledge about SAK EMKM is, so that a person will have a perception of convenience if he has good abilities related to SAK EMKM.

The higher the understanding of SAK EMKM owned by MSME owners, the MSME owner will feel that if he is able and will consider that the application of SAK EMKM will be easy to do, so that the intention to implement it will be higher.

This is in line with research by Putra (2018), Lohanda (2017), and Kusuma & Lutfiany (2018) which states that understanding accounting has a positive effect on MSME financial reporting. This means that the higher the understanding of accounting owned by MSME actors, the higher the intention to implement SAK EMKM.



H1: Understanding SAK EMKM has a positive effect on MSME's Intention to Implement SAK EMKM

### **3.2. The Effect of Self-Motivation on MSME Intentions to Implement SAK EMKM**

One of the variables of the technology acceptance model is perceived usefulness where the variable explains how beliefs from a personal perspective, where the use of certain technologies will be able to improve their performance. This belief can be reflected in self-motivation, because self-motivation is a positive attitude in the form of encouragement from within the individual when the individual believes that a certain behavior will have a positive impact on himself (Arifianto & Sukanti, 2014). When individuals believe that the application of SAK EMKM will improve their performance, then the intention to implement it will be higher.

Supported by research from Meidiyustiani (2016) which says that the owner's spirit has a positive influence on the implementation of SAK ETAP, and research from Putra & Maski (2013) which says that work motivation has a positive effect on the quality of financial reporting. This means that the higher the motivation possessed by MSME owners, the higher the intention to implement SAK EMKM.

H2: Self-Motivation positively affects the Intention of MSMEs to Implement SAK EMKM

### **3.3. Effect of Participation in Socialization and Training on MSME Intention to Implement SAK EMKM**

One of the variables of the technology acceptance model is perceived ease of use where the variable explains a person's perception of ease when using information technology. A person's perception of the ease of something can be seen from his ability to use it. Participation in socialization and training of SAK EMKM can increase the understanding and ability of individuals related to SAK EMKM. Socialization and training are usually organized by relevant institutions such as IAI, NGOs, Diskopindag. From the abilities they have, individuals will feel that the application of SAK EMKM is easy to do because they are able to do it, compared to individuals who have never participated in socialization and training. From the perception of ease it has, the intention to implement it will be higher and higher.

This is supported by research by Mawardi et al. (2019), Wibowo et al. (2018), Haryani (2018), and Selfia et al. (2018) which gave results that the provision of socialization and

training affected the intention of MSMEs to implement SAK EMKM. This means that participation in socialization and training is a factor that determines the intention of MSMEs to implement SAK EMKM.

H3: Participation in socialization and training has a positive effect on the intention of MSMEs to implement SAK EMKM.

## 4. Research Method

### 4.1. Types of Research

The research is classified as a quantitative study, where the study was carried out using primary data obtained by distributing questionnaires directly to respondents (MSMEs) in Malang City at random (simple random sampling method). The number of samples is determined by the Slovin formula which is:

$$n = N / ((1 + Ne^2) / 2)$$

$$n = 3.915 / ((1 + 3.915 \times 10\% / 2))$$

$$n = 97.50 \text{ (adjusted by the researcher to 100)}$$

#### Equation 1 - Slovin Formula

Based on the Slovin formula obtained a sample of 100 respondents. There are 5 sub-districts in Malang City, so researchers took a sample of 20 respondents in each sub-district. 20 respondents were selected by looking at the list of MSMEs in the face of Cooperatives, Industry, and Trade (Diskopindag) Malang City.

This research includes research that uses explanatory research. The hypothesis is explained the causal relationship between independent variables and dependent variables. This relationship aims to see how the understanding of SAK EMKM, self-motivation, and participation in socialization and training affects the intention of MSMEs to implement SAK EMKM

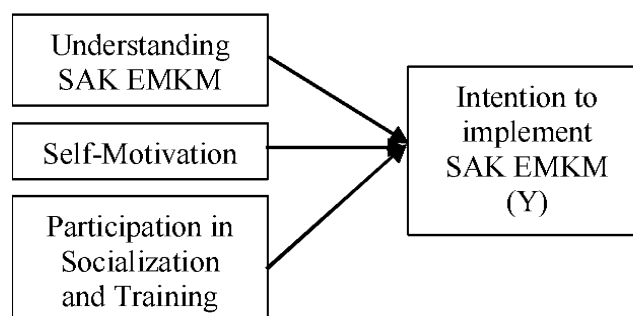


Figure 1: Research Model.

Description: Shows the influence of independent variables with dependent variables partially.

## 4.2. MSME Intention to Implement SAK EMKM

The intention to implement SAK EMKM (Y) is the intention to behave individually to apply SAK EMKM as a form of application of guidelines in recording their business accounting (Handika & Baridwan, 2018).

The measurement of intention of MSMEs to implement SAK EMKM using a likert scale, the indicators according to Persulesy et al., (2020) and Handika & Baridwan (2018) are as follows: 1). Desire for use, 2) Effort for use, 3) The making of financial statements for business development, 4). The desire to make financial statements in the near future.

## 4.3. Understanding SAK EMKM

Understanding SAK EMKM (X<sub>1</sub>) is the ability to measure and the ability to distinguish elements in the SAK EMKM guidelines, where the individual will be able to understand the intentions, concepts, and facts he knows (Fidiana, 2015).

The understanding of SAK EMKM is measured by a likert scale. According to Rian (2017) and Indra Cahya Kusuma & Lutfiany (2019), the indicators in this variable are.

1. Understanding financial statements
2. Understanding account recording in accordance with accounting standards
3. Understanding of accounting records that occur in the business

## 4.4. Self-Motivation

Self-motivation (X<sub>2</sub>) is a condition that exists in the self to encourage individuals to act, achieve certain goals, and make individuals remain interested in a certain activity (Weiner B, 1990).

Self-motivation is measured by a likert scale. Indicators of self-motivation according to Arifianto & Sukanti (2014) are

1. Willingness to move forward
2. Ability to take initiative and act effectively
3. Ability to face failure.

## 4.5. Participation in Socialization and Training

Participation in socialization and training () is the participation of individuals or groups in an activity carried out by certain institutions that provide information, introduce knowledge of SAK EMKM, teach MSME actors how to report and the rules of SAK EMKM (Purwaningsih, 2018).X\_3

Participation in socialization and training is calculated using a likert scale. According to Diana (2018) and Firmansyah (2013) the indicators of this variable are

1. Respondents' participation in socialization and training activities
2. Socialization and learning to increase knowledge
3. Training is important to improve performance, and training readiness

## 5. Analysis Method

### 5.1. Instrument Test

Instrument tests are carried out to test the quality of the instrument. A good instrument is one that meets validity as well as reliability.

#### 5.1.1. Validity Test

Validity tests are applied to measure the accuracy and accuracy of measuring instruments. This test pays attention to how far the measuring instrument is capable of being useful as it should be, which means that the instrument used is capable of measuring something as it should be (Ghozali, 2016). An instrument can be used for validity if on the test the validity of the significance value is less than 5% (0.05) and  $r$  calculations  $>$   $r$  table indicating that there is a linkage in several linked variables (Ghozali, 2016).

#### 5.1.2. Reliability Test

Reliability tests are needed to understand that measurements that are carried out repeatedly can be processed for data consistency. If the data acquisition is consistent at all times, so it can be said that the construct is reliable. Consistent data means that the answers from respondents remain the same and do not change far enough if at any time there will be re-measurements on the object (Ghozali, 2016). So that from

these consistent results will produce a reliable measurement. A construct will be called reliable when the value on Cronbach's Alpha > 0.70 (Ghozali, 2016).

### 5.1.3. Hypothesis Testing

This study applies the use of multiple linear regression analysis because there is a use of free variables that are more than 1. The purpose of multiple linear regression analysis is to show the orientation of relationships on free variables and bound variables having both positive and negative relationships.

The equation of multiple linear regression analysis is :

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

#### Equation 2 -- Multiple Linear Regression

Information:

Y : Bound variables

X<sub>1</sub>, X<sub>2</sub>, X<sub>3</sub>, X<sub>4</sub> : Free variables

a, b<sub>1</sub>, b<sub>2</sub>, b<sub>3</sub>, b<sub>4</sub>: Regression coefficient

e : Disturbance term

## 6. Result

The deployment was carried out from March 27, 2021 to April 12, 2021. A total of 100 questionnaires were distributed, with details on the 100 questionnaires distributed, there were 7 questionnaires that did not return or 7% namely the missing questionnaires and respondents who could not be found during the questionnaire collection. And there are 5 questionnaires that are not filled so they cannot be used. Thus, out of a total of 100 questionnaires, there are only 88% or a total of 88 questionnaires that can be processed

### 6.1. Geographical Aspects

MSMEs in Malang City have various fields, namely culinary, fashion, to handicrafts. Malang City is the second largest city in East Java and is also known as the City of Education.

Geographically, Malang City is located at coordinates 112,060 – 112,070 East Longitude, 7,060 – 8,020 South Latitude

## 6.2. Demographic Aspects

The following is an elaboration of the demographic aspects of the research respondents based on sub-districts, last education, age, type of business, gender, and majors that have been taken.

A total of 100 questionnaires were distributed to respondents from Klojen District, Sukun District, Blimbing District, Kedungkandang District, and Lowokwaru District, each of which was 20 respondents. However, after the data was collected, there were only a number of 19 data from Klojen District, 17 data from Sukun District, 18 data from Blimbing District, 15 data from Kedungkandang District, and 19 data from Lowokwaru District.

The data obtained shows that business actors in Malang City are dominated by women, namely 53 people or 60%, while for male business actors, there are 35 people or 40%.

Responden the study with the age under 30 years was 16 people or the percentage was 18%, respondents in the age range of 31 to 40 years were 29 people or the percentage was 33%, and respondents of the age range over 40 years were 43 people or the percentage was 49%. So that it shows that the majority of respondents are business actors who are more than 40 years old. The types of business are: trading business total 51 MSMEs (58%). service business, 6 MSMEs (7%), and manufacturing business 31 MSMEs (35%).

There are many diverse educational backgrounds owned by business actors. Business actors are dominated by coming from high school / equivalent educational backgrounds, namely as many as 60 people or 68%. Meanwhile, from elementary schools, there were only 2 people, from junior high school education as many as 13 people, and from Diploma / Bachelor education as many as 13 people.

Para business actors dominated come from majors other than economics or finance, which is as many as 70 people or 80%. While from the accounting or finance majors, there are only 8 people, and from the management or other economics studies majors as many as 10 people.

## 6.3. Variable Description

Adescriptive statistical nasis is a method used in the description of variables in this study that provides a general illustration or explanation of the observed data through the average value (mean), variance, median, mode, standard deviation, maximum, and minimum.

This study determined five categories in each variable, namely very low, low, sufficient, high, and very high.

The guidelines in determining the class interval are as follows:

$$\text{Range (r)} = \text{Highest score} - \text{lowest score}$$

$$\text{Interval class} = r/k$$

TABLE 1: Variable Description.

Average Score	Criterion
1,00 – 1,80	Very Low
1,81 – 2,60	Low
2,61 – 3,40	Enough
3,41 – 4,20	Tall
4,21 – 5,00	Very High

TABLE 2: Descriptive Statistics.

	Mean	Std. Deviation	Variance
Understanding SAK EMKM (X1)	2,53	1,19	1,41
Self-Motivation (X2)	4,25	0,79	0,64
Participation in Socialization and Training (X3)	2,50	1,23	1,52
MSME Intention to Implement SAK EMKM (Y)	2,49	1,14	1,29

Based on the table, it is known that the SAM EMKM comprehension variable mostly has a mean value of 2.53, which is a low criterion, meaning that most respondents voted disapproving in the questionnaire answers. That is, most of them have a bad understanding of SAK EMKM.

Variabel self-motivation mostly has a mean value of 4.25 i.e. on a very high criterion, which means that most respondents choose to strongly agree that they have good self-motivation regarding the view of SAK EMKM, with a standard deviation of 0.79 and a variance of 0.64.

Variabel participation in socialization and training mostly has a mean value of 2.50 i.e. on the low criteria, which means that most respondents choose to disagree if they say they have received socialization and attended financial reporting training. With a standard deviation of 1.23 and a variance of 1.52.

Variabel msME intention to apply SAK EMKM mostly has a mean value of 2.49 which is on the low criteria, which means that the majority of respondents choose to disagree if it is considered that they have the intention to apply SAK EMKM. With a standard deviation of 1.14 and a variance of 1.29.

### 6.4. Validity Test

Validity tests are applied to measure the accuracy and accuracy of measuring instruments. This test pays attention to how far the measuring instrument is capable of being useful as it should be, which means that the instrument used is capable of measuring something as it should be (Ghozali, 2016). An instrument can be used for validity if on the test the validity of the significance value is less than 5% (0.05) and  $r$  calculations  $>$   $r$  table indicating that there is a linkage in several linked variables (Ghozali, 2016).

Based on the instrument validity tests that have been carried out, it shows that all statements used in each variable in the questionnaire have a validity value greater than 0.514 ( $r_{hitung} > r_{tabel}$ ) and are declared valid. And all of them have a significance value of less than 0.05 which means that there is a correlation between the variables connected. So that the variables of understanding SAK EMKM (X1), self-motivation (X2), participation in socialization and training (X3), and msME intentions to implement SAK EMK (Y) have met the validity requirements with the meaning that all question items used in the study can properly explain something that is the material for measurement in the questionnaire.

### 6.5. Reliability Test

Reliability tests are needed to understand that measurements that are carried out repeatedly can be processed for data consistency. If the data acquisition is consistent at all times, so it can be said that the construct is reliable. Consistent data means that the answers from respondents remain the same and do not change far enough if at any time there will be re-measurements on the object (Ghozali, 2016). So that from these consistent results will produce a reliable measurement. A construct will be called reliable when the value on Cronbach's Alpha  $>$  0.70 (Ghozali, 2016).

TABLE 3: Reliability Test.

Variable	Cronbach's Alpha
Understanding SAK EMKM (X1)	0,899
Self-Motivation (X2)	0,920
Participation in Socialization and Training (X3)	0,953
MSME Intention to Implement SAK EMKM (Y)	0,944

From the table above, we get a reliability test that shows that each variable has a Cronbach's Alpha value of more than 0.70 with the meaning that each statement in the



questionnaire is said to be reliable. Therefore, the statements used can be well used to get the data consistently.

## 6.6. Classical Assumption Test

The classical assumption test is carried out to observe whether in a linear regression model a classical assumption problem is found

### 6.6.1. Normality Test

The normality test is applied to observe whether the distribution of data is running reasonably or not. The study was carried out by the test method of Conglomorov Smirnov. Meanwhile, the test hypothesis is determined as follows:

Hypothesis Zero (H0) means that data distribution is running normally

Alternative Hypothesis (HA) means that data distribution is not running normally

The data can be considered normally distributed if the value in the Asymptotic Significant is above 0.05, so the null hypothesis is accepted (Ghozali, 2016)

TABLE 4: Normality Test.

	Unstandardized Residual
Asymp. Sig. (2-tailed)	,089c

From the results of the normality test, the value of Asymp. Sig. (2-tailed) was 0.089. This shows that the significance value is greater than 0.05 so it can be said that the distribution of data is normal.

### 6.6.2. Multicollinearity Test

The multicollinearity test was carried out to understand the availability of high correlations in each free variable in the regression model. Model regression should not occur multicollinearity or generally interpreted correlation between free variables does not occur. Correlation is considered non-existent if the VIF value  $< 10$ , while the tolerance value  $> 0.01$  (Ghozali, 2016)

Based on the table above, it shows that the tolerance value of the three variables is more than 0.10 and the VIF value is less than 10.00, so it can be concluded that there is no multicollinearity between independent variables in the regression model.

TABLE 5: Multicollinearity Test.

		Unstandardized Residual
N		88
Normal Parameters <sup>a,b</sup>	Mean	0,0000000
	Std. Deviation	4,52408550
Most Extreme Differences	Absolute	0,088
	Positive	0,088
	Negative	-0,061
Test Statistic		0,088
Asymp. Sig. (2-tailed)		,089c

TABLE 6: Collinearity Statistics Tolerance

	Collinearity Tolerance	Statistics
Bright		
Understanding SAK EMKM	0,696	1,438
Self-Motivation	0,966	1,035
Participation in Socialization and Training	0,698	1,433

### 6.6.3. Heteroskedasticity Test

The heteroskedasticity test is carried out to show the occurrence of variance similarity (homokedasticity) or variance inequality (heteroskedasticity) present in the regression model. We recommend that variance inequality should not occur in regression models. Using the Spearman Rho method, this study correlated residual absolutes on regression gains in all free variables. Heteroskedasticity is said to not occur if the significance in the acquisition of the correlation value is lower than 0.05. If the value is higher than 0.05, it can be considered a symptom of heteroskedasticity (Ghozali, 2016).

TABLE 7: Heteroskedasticity Test.

	Itself
Understanding SAK EMKM	0,430
Self-Motivation	0,970
Participation in Socialization and Training	0,591

Based on the table shows if the value for the significance of the three independent variables is greater than 0.05. This can be interpreted to mean that there is no heterokedasticity in the regression equation model, so the regression model is feasible to be used in predicting the intention of MSMEs to apply SAK EMKM which is

based on variables that affect it, namely understanding SAK EMKM, self-motivation, and participation in socialization and training.

## 6.7. Hypothesis Test

Hypothesis Testing is carried out in order to prove the truth of a hypothesis and to conclude whether a hypothesis statement should be accepted or rejected

### 6.7.1. Multiple Linear Regression Analysis

This study applies the use of multiple linear regression analysis because there is a use of free variables that are more than 1. The purpose of multiple linear regression analysis is to show the orientation of relationships on free variables and bound variables having both positive and negative relationships.

The equation of multiple linear regression analysis is:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

#### Equation 3 - Multiple Linear Regression Analysis

Information:

Y : Bound variables

X<sub>1</sub>, X<sub>2</sub>, X<sub>3</sub>, X<sub>4</sub> : Free variables

a, b<sub>1</sub>, b<sub>2</sub>, b<sub>3</sub>, b<sub>4</sub>: Regression coefficient

e : Disturbance term

Based on the analysis of multiple linear regressions obtained a model of equations such as the following:

$$Y = 7.227 + 0.253X_1 + 0.382X_2 + e - 0.032X_3$$

#### Equation 4 - Multiple Linear Regression Analysis

The model of the multiple linear regression equation can be explained as follows :

A constant value of 7,227 shows that if the variables of understanding SAK EMKM (X<sub>1</sub>), self-motivation (X<sub>2</sub>), and participation in socialization and training (X<sub>3</sub>) are zero, then the variable intention of MSMEs to apply SAK EMKM has a positive value of 7.227.

The coefficient value of the SAK EMKM (X<sub>1</sub>) understanding variable is 0.253 and is positively marked, which means that there is a unidirectional relationship between the SAK EMKM understanding variable and the MSME's intention to implement SAK EMKM. This means that any increase in understanding of SAK EMKM by 1 unit will result in an

increase in the intention of MSMEs to implement SAK EMKM by 0.253. Conversely, if the reduction of the SAK EMKM comprehension variable is 1 unit, it will reduce the Y variable by 0.253 but assuming that other independent variables are of fixed value.

The coefficient value of the self-motivation variable (X2) is equal and negatively marked which indicates that there is a relationship in the opposite direction between the self-motivation variable and the intention of MSMEs to apply SAK EMKM. This means that every increase in self-motivation by 1 unit will result in a reduction in the intention of MSMEs to implement SAK EMKM by . On the other hand, if the reduction of the self-motivation variable by 1 unit, it will increase the variable of MSME intention to apply SAK EMKM by assuming that other independent variables are of fixed value.0,032 0,0320,032

The coefficient value of participation in socialization and training (X3) is 0.382 and is positively marked which means that there is a unidirectional relationship between the variables of participation in socialization and training with the intention of MSMEs to implement SAK EMKM. This means that every participation in socialization and training of 1 unit will result in an increase in the intention of MSMEs to implement SAK EMKM by 0.382. Conversely, if the reduction of the variable of participation in socialization and training is 1 unit, it will reduce the variable Y by 0.382 but assuming that other independent variables are of fixed value.

## 6.8. Partial Individual Parameter Significant Test (Statistical t Test)

In order to establish correctness in the null hypothesis and see the range of influence on one free variable when explaining variations in bound variables, a statistical test t needs to be carried out.

There are 2 conditions in the t test:

The null hypothesis is rejected if the significance of the value is higher than 0.05, in the sense that its influence is insignificant.

The null hypothesis cannot be rejected if the significance is lower than 0.05, so it has a significant influence.

Based on the results of the t test, the relationship of independent variables partially to the dependent variables in this study is as follows:

The comprehension variable SAK EMKM (X1) significance value (Sig) is 0.012, where this value is less than 0.05. Thus, it is rejected which means that there is a significant influence between the variable understanding of SAK EMKM on the variable of MSME intention to apply SAK EMKM.  $H_0$  Unstandardized coefficient B is worth 0.253

TABLE 8: Statistical T Test.

Model	Unstandardized Coefficients	B	Itself.
1	(Constant)	7,227	0,147
	X1	0,253	0,012
	X2	-0,032	0,841
	X3	0,382	0,000

indicating a positive value, meaning that there is a positive influence between the variable understanding of SAK EMKM on the variable intention of MSMEs to apply SAK EMKM.

The self-motivation variable (X2) its significance value (Sig) is 0.841, where this value is greater than 0.05. The unstandardized coefficient B is -0.032. Thus, it is not rejected which means that there is no influence between the self-motivation variable and the MSME intention variable to implement SAK EMKM.  $H_0_2$

The variable of participation in socialization and training (X3) its significance value (Sig) is 0.000, where this value is less than 0.05. Thus, it is rejected which means that there is a significant influence between the variables of participation in socialization and training on the variables of MSME intentions to implement SAK EMKM.  $H_0_3$  Unstandardized coefficient B is worth 0.382 indicating a positive value, meaning that there is a positive influence between the variables of participation in socialization and training on the variables of MSME intention to implement SAK EMKM.

In order to show the relationship between free variables and bound variables having a certain level of strength indicated in the form of percentages, a coefficient of determination test was used (Supangat, 2006). This test is carried out to show that the range of a model can properly explain the variety in its bound variables. The value of R2 is 0.352 or 35.2%. It can be said that the variable intention of MSMEs to implement SAK EMKM is influenced by the understanding of SAK EMKM, self-motivation, and participation in socialization and training by 35.2%. While the remaining 64.8% was influenced by other variables that were not studied in this study.

## 7. Discussion

## 7.1. The Effect of Understanding SAK EMKM on the Intention of MSMEs to Implement SAK EMKM

The results showed that understanding SAK EMKM has a positive and significant influence on the intention of MSMEs to implement SAK EMKM. This means that the understanding of SAK EMKM has a relationship that is in line with the intention of MSMEs to implement SAK EMKM. This shows that the higher the understanding of SAK EMKM owned by business actors, the higher the intention of business actors to implement it. On the other hand, the lower the understanding of SAK EMKM owned by business actors, the lower the intention of business actors to implement it. When a business actor has a good understanding of SAK EMKM, then he will understand very well about the process and its uses. So that with the understanding it has, the application of SAK EMKM will look easy so that the desire to implement it will be even greater.

From the descriptive analysis carried out, it shows a mean of 2.53 in the low category, which means that most MSME actors have a bad understanding of SAK EMKM. In line with the variable intention of MSMEs to apply SAK EMKM which has a mean value of 2.49 in the low category as well. The intention of MSME actors to implement SAK EMKM is relatively low. This can be because the majority of respondents have an educational background other than economics and accounting, which is 80%. Individuals who have studied with economics majors must have studied the basics of preparing financial statements even though they are not as detailed as accounting majors. So, from the material they have obtained, it will make them understand about financial accounting standards even if only a few.

The results of this study are in line with the technology acceptance model (TAM) on the perceived ease of use variable where this theory states that individuals will accept the application of technology if they feel that the technology is easy to apply. When an individual understands SAK EMKM, he will consider SAK EMKM to be easier to apply than individuals who do not understand SAK EMKM at all.

Understanding SAK EMKM is the knowledge possessed by individuals that they gain through their learning experience, from this knowledge and experience comes the intention to apply it. The higher the score on the SAK EMKM understanding variable shows that MSME actors in Malang City have a good understanding of SAK EMKM. A good understanding of SAK EMKM will be very useful for the future and sustainability of the business that is being built (I.C. Kusuma & Lutfiany, 2018). When connected with indicators of understanding SAK EMKM, MSME actors have a good understanding of

the purpose of making financial statements, the meaning of making SAK EMKM, and account classification.

If someone in understanding SAK EMKM is getting wider, it will be easier to understand in order to present good financial statements according to SAK (Eniola & Ektebang, 2014). Because the understanding of accounting standards is very important in the development of micro and medium enterprises. According to Kusuma & Lutfiany (2018), there is the most common factor in the application of SAK, namely understanding accounting.

The results of this study are in line with the research of Bokol et al. (2020) which provides results that understanding accounting affects the application of SAK EMKM. However, in the research of Bokol et al. (2020) it is limited to the Tempe Sanan Chips industry in Malang City only.

Another research by Putra (2018), Lohanda (2017), and Kusuma & Lutfiany (2018) which stated that understanding accounting also has a positive influence on MSME financial reporting in accordance with SAK EMKM. This means that understanding in accounting by MSME actors will encourage them in implementing SAK EMKM in their business.

This research contains implications so that in the future MSMEs have the awareness to study financial statement accounting standards, namely SAK EMKM. As part of MSME's responsibility to third parties and will make it easier for MSMEs to obtain access to funding, so that these refer to Financial Accounting Standards (SAK) for example SAK EMKM. Smooth funding will also make the MSME economy more advanced. For the government, the Indonesian Institute of Accountants (IAI), Non-Governmental Organizations (NGOs), the Office of Cooperatives, Industry and Trade (Diskopindag) and other relevant institutions also need to accompany and supervise the financial reporting of MSMEs so that they will minimize record errors and those that are not in accordance with the guidelines of SAK EMKM.

## **7.2. The Effect of Self-Motivation on MSME Intentions to Implement SAK EMKM**

The results of this study show that self-motivation does not have an influence on the intention of MSMEs to implement SAK EMKM. This result means that self-motivation does not have a relationship that is in line with the intention of MSMEs to implement SAK EMKM. Self-motivation in this study is a positive attitude that causes a person to act to achieve certain goals, namely the intention of implementing SAK EMKM.

The results of the research on self-motivation variables do not support the application of the technology acceptance model (TAM) to the perceived usefulness variable, where in the theory it is explained that if an individual believes that the application of technology will bring benefits to himself then the intention to apply it will arise. But in fact, when self-motivation has arisen, the intention of implementing SAK EMKM does not arise. Thus, self-motivation does not support the TAM theory.

This is supported by Vroom's theory of motivation about cognitive of motivation. The theory that explains about individuals motivated to carry out certain activities because they want to achieve certain expected goals (Victor H, 1967). This theory is determined by one of its components, namely expectations (expectations). In expectations, motivation consists of several things, namely the ability to carry out, the resources needed to carry out, as well as the necessary support from other parties. In relation to this study, the motivation possessed is very high, but when viewed from the ability possessed to carry out and the necessary resources are not owned by some business actors. Supported by an opinion from Kadir (2018), the cause of MSME actors being reluctant to implement SAK EMKM is because MSMEs still consider that SAK EMKM is quite complicated to implement, they are also worried that implementing SAK EMKM requires special employees who are skilled in accounting, even though the implementation of SAK EMKM can be done by MSME actors themselves. Therefore, through Vroom's theory of motivation, it can be seen why a person will not do something that he believes he cannot do, even if the result of the work is very much what he wants.

MSME actors are also still reluctant to apply SAK EMKM because the knowledge related to SAK EMKM they have is classified as lacking, so the application of SAK EMKM will look complicated for them. Even though their view of SAK EMKM is very positive, they believe that SAK EMKM will bring benefits to their business, but due to several factors, they are reluctant to implement it.

From the descriptive analysis carried out, it was produced that the mean value of the self-motivation variable was 4.25, which is on a very high criterion. The self-motivation of MSME actors to implement SAK EMKM is very high. MSME actors have a good drive from within themselves, they always have a positive mind and believe that the use of SAK EMKM will be beneficial for their business. However, this in fact does not make them serious in implementing SAK EMKM in their business financial reporting. When viewed from the mean value of the variable of MSME intention to apply SAK EMKM is 2.49, which is in the low category. MSMEs often believe that SAK EMKM has a positive influence on their business but are often lazy to implement it.



The results of this study are consistent with research (Puspita & Pramono, 2019) which produces motivation does not affect the use of MSME accounting information. The research shows that often MSMEs compile simple financial reports that are only understood by the MSMEs themselves, they are not motivated to compile financial statements in accordance with existing provisions.

This research is inconsistent with meidiyustiani research (2016) which resulted in owner motivation positively affecting the application of SAK ETAP, and research from Putra & Maski (2013) which said that work motivation has a positive effect on the quality of financial reporting. From the results of the study, it shows that the higher the motivation of MSME actors, the higher the application of accounting standards in their business financial statements.

This research contains the implication that not only motivation can arouse intention, but it is also important to cultivate a perception in an individual that he is able to apply SAK EMKM and its application will not be as complicated as imagined, so that the intention to implement it will appear in business actors.

### **7.3. The Effect of Participation in Socialization and Training on msME Intentions to Implement SAK EMKM**

The results showed that participation in socialization and training had a positive and significant effect on the intention of MSMEs to implement SAK EMKM. This means that there is a unidirectional influence between the variables of participation in socialization and training on the variables of MSME intentions to implement SAK EMKM. If business actors often participate in socialization and training activities properly, then their understanding will also be better and assume that the application of SAK EMKM is easy to do, so it will support the intention to implement SAK EMKM. On the other hand, the rarer or even have never participated in socialization and training related to SAK EMKM, the intention to implement it will also be low.

The results of this study are in line with the Technology Acceptance Model (TAM) on the perceived ease of use variable where this theory states that individuals will accept the application of technology if they feel that the technology is easy to apply. If an individual has participated in SAK EMKM socialization and training, their abilities will increase which will result in the individual thinking that the implementation of SAK EMKM is quite easy when compared to those who have never participated in socialization or training. Thus, the intention to implement SAK EMKM will be higher.

From the results of the descriptive analysis, it shows a mean value of 2.50 in the low category, which means that the participation of MSME actors in socialization and training activities is relatively low. They are also of the view that socialization and training activities are not beneficial enough for their business. This resulted in no intention to implement SAK EMKM in their business. Judging from the mean value of the variable, msME intention to apply SAK EMKM resulted in a value of 2.49, which is in the low category, which means that most respondents do not intend to apply SAK EMKM. Thus, this study shows that the low participation of MSME actors in socialization and training activities will affect the lower their intention to implement it.

The lack of participation of MSME actors in socialization and training can be caused because most msME actors, namely 58%, are small shop businesses that do not need systematic financial reports. They think that small shops only need to record incoming and outgoing turnover only (Muthia, 2019). So from this reason they think there is no need to take part in socialization or training SAK EMKM.

The results of this study are consistent with the research of Mawardi et al. (2019), Wibowo et al. (2018), Haryani (2018), and Selfia et al. (2018) which gave results that the provision of socialization and training positively affects the intention of MSMEs to implement SAK EMKM. This means that participation in socialization and training has a unidirectional influence on the intention of MSMEs to implement SAK EMKM. However, in contrast to the research of Budiman et al. (2017) and Prajanto & Ira (2018) which resulted in the provision of information and socialization did not affect the application of SAK EMKM UMKM. From the research of Budiman et al. (2017) and Prajanto & Ira (2018) shows that there are still many MSME actors who have never received information and participated in socialization related to SAK EMKM, but the desire to implement SAK EMKM in their business is already quite high.

This research contains implications so that in the future MSMEs will be more diligent in participating in socialization activities and financial reporting training organized by related institutions such as the Indonesian Institute of Accountants (IAI), Non-Governmental Organizations (NGOs), the Office of Cooperatives, Industry and Trade (Diskopindag). Participating in these activities will increase their understanding of systematic financial statements in accordance with SAK EMKM, so that when implementing in their business, it will make it easier for them to obtain funding in the future. Related institutions such as the government, the Indonesian Institute of Accountants (IAI), Non-Governmental Organizations (NGOs), the Office of Cooperatives, Industry and Trade (Diskopindag) should also always provide assistance to MSMEs so that land losses do not occur in the application of SAK EMKM

## 8. CONCLUSIONS AND SUGGESTIONS

This study aims to test the influence between understanding SAK EMKM, self-motivation and participation in socialization and training on the intention of MSMEs to implement SAK EMKM. The intention of MSMEs to implement SAK EMKM is defined as a behavioral intention to use SAK EMKM as an effort by MSME actors to use it as a guide in making financial reports on their business. The sample used is MSMEs in Malang City which are recorded in the Office of Cooperatives, Industry, and Trade (Diskopindag) of Malang City. Based on the results of the study connected with the formulation of the problem, it can be concluded as follows:

1) The understanding of SAK EMKM has a positive and significant effect on the intention of MSMEs to implement SAK EMKM. This positive influence shows that the higher the understanding of SAK EMKM owned by business actors, the higher the intention of business actors to implement it. Conversely, the lower the understanding of SAK EMKM, the lower the intention to implement it.

2) Self-motivation does not affect the intention of MSMEs to implement SAK EMKM. This shows that self-motivation has no effect on the intention of MSMEs to implement SAK EMKM. In this study, the self-motivation of MSME actors is very high, but the intention to implement it is low.

3) Participation in socialization and training has a positive and significant effect on the intention of MSMEs to implement SAK EMKM. The more often MSME actors participate in socialization activities and financial statement training, the higher the intention of business actors to implement the knowledge they get. The less frequent participation in such activities, the lower the intention to implement SAK EMKM.

4) Simultaneously, the understanding of SAK EMKM, self-motivation, and participation in socialization and training have a significant effect on the intention of MSMEs to implement SAK EMKM.

There are several suggestions for improvement from researchers, namely as follows:

1. For MSMEs

1) It is hoped that MSME actors will increase their understanding of the preparation of correct financial statements in accordance with SAK EMKM by participating in socialization activities or training that have been held by related institutions.

2) For MSME actors who already have the intention to implement SAK EMKM, they are expected to seriously implement it in the business they run.

2. For the Government, the Indonesian Institute of Accountants (IAI), the Office of Cooperatives, Industry, and Trade (Diskopindag), and Non-Governmental Organizations (NGOs)

1) It is expected for related institutions to be able to hold socialization and training activities related to accounting standards such as SAK EMKM which are carried out regularly and evenly to MSME actors.

2) Always provide assistance and supervision to MSMEs in order to implement SAK EMKM correctly.

3. For further research

1) For the survey method with the distribution of questionnaires, it is hoped that researchers can pay attention to the process of filling out questionnaires to reduce the risk of dishonesty of respondents.

2) For further research, it is advisable to add other factors that are suspected to have a great influence in this modern era such as digitalization and human resources.

## 9. LIMITATIONS

This research has the following limitations:

1) 12% of the questionnaires could not be processed because they were not filled out completely.

2) For the measurement of self-motivation variables, it does not reflect the real self-motivation of MSME actors, it can be seen from the question items given that they are more inclined to the motivation of use, not self-motivation.

3) There are several indicators that contain only one question item, allowing for a lack of accuracy of the answers obtained from respondents.

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