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Accounting Information System In The Decision-Making Of Fixed Asset Investments At PT. Sawit Jujuhan Abadi (Asian Agri Group)

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ABSTRACT

This research delves into the pivotal role of Accounting Information Systems (AIS) in the decision-making process concerning fixed asset investments at PT. Sawit Jujuhan Abadi, a subsidiary of the esteemed Asian Agri Group. The study aims to scrutinize the existing practices of AIS within the company and assess the managerial readiness to adopt the E-Capex Accounting Information System model. This model is specifically designed to facilitate effective decision-making in the realm of fixed asset investments. Through an in-depth analysis, the research endeavors to provide valuable insights into the utilization of AIS, shedding light on its impact on decision-making processes related to fixed asset investments. The study anticipates contributing practical knowledge to the management of PT. Sawit Jujuhan Abadi, empowering them to make more informed and strategic decisions. Furthermore, the research seeks to enhance the broader understanding of AIS applications in the dynamic context of fixed asset investments within the Asian Agri Group.

INTRODUCTION

The current management requires fast and accurate information, broader yet aggregated coverage, so that decisions made align with expectations and yield optimal results. One crucial piece of information is the fixed asset accounting information system. A vital role of the fixed asset accounting information system is to provide information to the right people in the right way and at the right time. The fixed asset accounting information system is a human device and capital sources in an organization responsible for generating and disseminating relevant information in decision-making, specifically related to fixed assets.

The fixed asset accounting information system is designed to assist management in performing its functions for resource allocation efficiency towards the company's goals. It comprises normal systems and procedures that use information to maintain or provide alternatives for planning, control, decision-making, and enhance managers' understanding of the real world, identifying relevant activities.

Planning for the fixed asset accounting information system, as part of organizational control, needs attention because information systems are useful for organizations to control and monitor value-added processes. Meanwhile, integrated information acts as a coordinator in controlling diverse decision-making. The benefits of integrated information are crucial when leaders face situations requiring decisions impacting other parts/units.

PT. Sawit Jujuhan Abadi (Asian Agri Group) is one of the largest national palm oil companies in Asia with a production capacity of 1 million tons of palm oil per year. It pioneered a partnership program with the largest palm oil farmers in Indonesia, recognized for its excellent service quality domestically and internationally. To achieve its goals, PT. Sawit Jujuhan Abadi has specific assets to facilitate its operations. Fixed assets are assets used for more than one normal accounting period, and over time, they require repairs and improvements. The handling of fixed assets aims for efficiency and protection, ensuring the maximum benefit of invested funds, avoiding unreasonable cost reporting in one accounting period.

PT. Sawit Jujuhan Abadi needs a fixed asset accounting information system to streamline the E-Capex (Electronic Capital Expenditure) process. The E-Capex system enables efficient and effective fixed asset accounting information, both in the application and approval processes. However, there's a need for improvement in managing fixed assets due to the introduction of E-Capex, which can aid users in the application process and monitoring progress. Accurate recording of fixed assets is crucial for PT. Sawit Jujuhan Abadi, given its significant role in supporting operational smoothness.

Considering the importance of fixed assets for a company, the implementation of a fixed asset accounting system is essential. However, PT. Sawit Jujuhan Abadi faces challenges in timely information reception, affecting decision-making performance. Case 1 involves a manual process for GIA (Group Investment Application) or CIP (Corporate Investment Proposal), causing delays due to the distance between business units and offices, incurring transportation costs and time delays. Case 2 highlights issues of manual submissions, leading to lost documents and hindering the approval process.

These challenges need anticipation by PT. Sawit Jujuhan Abadi to ensure accurate and targeted data and reports. Any mistakes in management approval may hinder the realization of plans and goals. Hence, this research aims to address these issues with the title "Accounting Information System in Fixed Asset Investment Decision-Making at PT. Sawit Jujuhan Abadi (Asian Agri Group)."

The research problems identified from the background are: First, how is the practice of the Accounting Information System in making fixed asset investment decisions at PT. Sawit Jujuhan Abadi? Second, to what extent is the readiness of PT. Sawit Jujuhan Abadi management in implementing the E-Capex Accounting Information System model in making fixed asset investment decisions?

The research objectives are twofold: First, to analyze the accounting information system practices used in making fixed asset investment decisions at PT. Sawit Jujuhan Abadi. Second, to assess the company management's readiness to adopt the E-Capex Accounting Information System model to support fixed asset investment decision-making.

The significance of this research lies in its potential contribution to more effective decision-making through the E-Capex accounting information system for PT. Sawit Jujuhan Abadi's management. For the researcher, this study provides valuable experience and enhances insights into the field of accounting information systems for fixed asset investment.

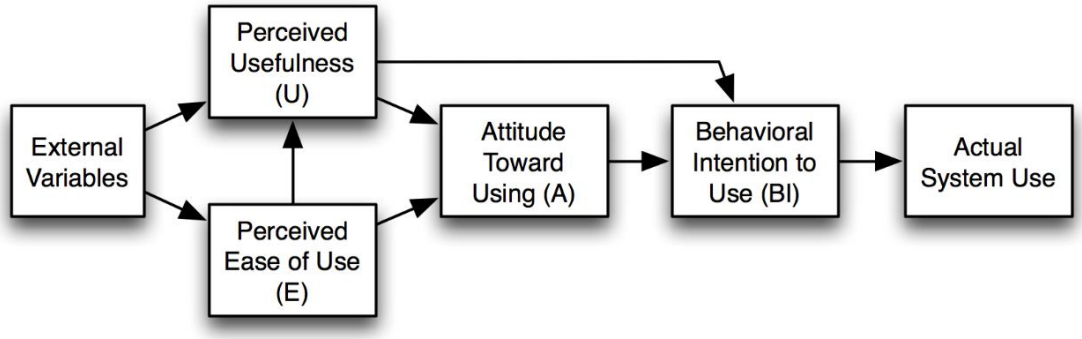
LITERATURE REVIEW

Theoretical Review

1. Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) is a highly popular model for understanding and explaining user behavior towards information systems. Previous studies have found that user acceptance of technology is influenced by various factors (Lim & Zhang, 2022). TAM, developed by Davis (1989), is a model that broadly explains the acceptance of technology by individuals in different information system constructs. According to Davis (1989), there are two highly relevant factors in explaining user behavior towards technology, namely Perceived Usefulness and Perceived Ease Of Use, as illustrated in Figure 1 below:

Figure 1 Technology Acceptance Model (Davis, 1989)



Perceived Usefulness and Perceived Ease Of Use are key constructs that demonstrate how user perceptions of technology are influenced by external variables and determine actual technology adoption by users (Davis, 1989; Choi et al., 2017, in Shin et al., 2022). Perceived Usefulness (PU) explains that user acceptance of information technology is caused by the user's belief in the benefits and ease obtained from the presence of technology (Ambalov, 2021). Perceived Usefulness (PU) is defined as the extent to which an individual believes that the use of technology can enhance their performance.

The Technology Acceptance Model (TAM) explains that an individual's actions are driven by two factors: behavior beliefs and normative beliefs. These factors then drive individuals to have outcome evaluation and motivation to comply. Consequently, these two elements will lead individuals to form attitudes and subjective norms. The existence of attitudes and subjective norms will influence an individual's focus on behavior (behavior intention). Ultimately, behavior intention will impact an individual's behavior. The development of TAM aims to explore determinant factors in the use of information systems by users. Research results indicate that the use of information systems is influenced by the interest in utilizing information systems. This interest is influenced by perceptions of technology usefulness (perceived usefulness) and perceptions of technology ease of use (perceived ease of use).

User beliefs about an object (in this case, information technology) can influence behavior. Cognitive beliefs about an object will stimulate desire, and this desire will then manifest through behavior. Several fundamental theories can explain why someone has beliefs in using technology, namely theories of social presence, social influence, and social information processing.

Social Presence Theory explains the ability of media to provide the psychological presence of the message sender (Kang & Kim, 2022). Psychological presence is conveyed through information that includes facial expressions, gaze direction, body posture, clothing, and other

nonverbal signals from the message sender. Communication media with face-to-face characteristics have a higher level of social presence. Although social presence through the virtual world may seem more subjective or less intrinsic, as the perceived social presence is less impressionable, social presence through social media communication is perceived as better in completing specific communication tasks.

Social Presence Theory also states that performance will improve if social presence in a media aligns with the social communication goals to be achieved (Liu & Wei, 2021). For example, media that is deemed necessary to display social presence will be more appropriate for social-emotional communication. Conversely, media deemed to require low social presence would be more suitable for increasing socio-technological aspects in sales and marketing activities. Technology in human resource development, business operations, and finance (Kim et al., 2021).

Another factor closely related to user beliefs in technology is social influence. Social Information Processing Theory states that an individual's communication attitudes and behavior are influenced by social contexts. Moreover, this theory explains an individual's perceptions of media characteristics, and an individual's attitudes towards media are influenced by social norms.

Social Information Processing describes how people get to know each other online without signals (nonverbal communication) and how they develop and manage relationships in a computer-mediated environment (Walther, 1992, in Galvin et al., 2018:898). Social Information Processing serves as an alternative perspective in observing the phenomenon of relationship development in computer-mediated communication formats (Galvin et al., 2018:898). Social Information Processing illustrates how communicators meet through computer-based text communication, aiming to enhance relationship development among communicators. Social Information Processing uses verbal signals and temporal signals as the main influences on relationship formation.

According to Akbar and Morteza Tanun (2012), Information Technology (IT) that has rapidly developed has a significant impact on various aspects of human life. IT is one of the developments that occurred in auditing, especially with the use of computer-assisted audit techniques TAM (Technology Acceptance Model). According to Aldino in 2013, TAM is an information system theory designed to explain how users understand and use information technology. The implementation of new technology in an organization will affect the entire organization, especially human resources. The main goal of TAM is to serve as a basis for understanding the influence of external factors on internal beliefs and behavior. According to Oladipupo (2014), TAM is specifically used in the field of information systems to predict acceptance and usage in individual user jobs.

2. Accounting Information System

a. Definition of Accounting Information System

Sinegar et al. in 2013 define an accounting information system as a system that transforms input using processes to generate the required output to support decision-making. Hansen and Mowen (2009) describe an accounting information system as a process involving activities such as collection, measurement, storage, analysis, reporting, and information management. An information system that produces output using input and various processes necessary to achieve management goals, where the accounting information system is not bound by formal criteria explaining the nature of input or output processes.

An information system is organized ways to collect, input, process, and store data and organized ways to store, manage, control, and report information in such a way that an organization can achieve its established goals (Krismiaji: 2005:16).

b. Functions of Accounting Information System

Atkinson in 2001 stated that the accounting information system has four functions:Operational Control: Provides feedback on the efficiency and quality of tasks

performed.Product and Customer Costing: Measures the cost of resources used to produce products or services and serves the market by providing products or services to customers.

Management Control: Provides information about the performance of managers and operational units.Strategic Unit: Provides information about the company's financial performance and long-term competitiveness, market conditions, customer preferences, and technological innovation.

c. Objectives of Accounting Information System

Based on its objectives, the accounting system has three general objectives:Provide information for the calculation of costs for services, products, or other objects needed by management. Therefore, the implementation of providing information for cost calculations by management is used to evaluate the accuracy of decisions designed to improve productivity, reduce costs, expand market share, and increase profits.

Provide information for planning, control, evaluation, and continuous improvement. Therefore, information is needed to identify various opportunities for improvement and evaluate progress made in implementing various actions designed to create improvements.

Provide information for decision-making. Therefore, the importance of decision-making by choosing the most reasonable strategy in providing long-term growth and sustainability for the company (Hansen and Mowen, 2009).

d. Benefits of Accounting Information System

Krismiaji in 2010 stated that for information to be beneficial, it must have the following qualities/characteristics:

1) Relevant: Adds knowledge or value for decision-makers by reducing uncertainty, increasing the ability to predict, or confirming/validating original expectations.
2) Reliable: Free from errors or bias and accurately describes the events or activities of the organization.
3) Complete: Does not omit essential data needed by users.
4) Timely: Presented at the right time to influence the decision-making process.
5) Understandable: Presented in an easily understandable format.
6) Verifiable: Allows two competent individuals to produce the same information independently.

e. Role of Accounting Information System

The primary role of accounting information is to provide information that facilitates decision-making processes (Angraini, 2003). Management accounting can be viewed from two perspectives: management accounting as one type of accounting and management accounting as one type of information. As one type of accounting, management accounting is a financial information processing system used to generate financial information for the internal users of the organization. As one type of information, management accounting is a quantitative information type that uses money as a unit of measurement to assist management in company management. Thus, management accounting is financial information produced by the management accounting type, utilized by internal users of the organization (Mulyadi, 2008).

3. Accounting Information System & Digital Technology

The era of double disruption and Industry 4.0 urges the accounting profession to enhance capabilities by understanding the evolving concepts of technology (Yadav et al., 2020). The society in the era of 5.0, where humans become the center of technological development to facilitate daily activities, demands that accounting information systems keep pace with technological advancements. With the presence of technology, the practices of accounting information systems become more effective and valuable. For example, activities controlling the inflow and outflow of cash become easier due to systematic and more accurately recorded technological processes. Additionally, leaders can access real-time reports on sales or

transaction results without requiring a considerable amount of time (Kang et al., 2021; Rubin et al., 2021).

The role of technology in the practice and theory of accounting cannot be underestimated. With technology, the work of accountants becomes more systematic, accurate, and responsive. Integrating the accounting profession with evolving technology has increased the demand for accounting professionals because their capabilities and skills are more accepted in the business environment (Sledgianowski et al., 2017).

Technology has transformed human work from manual to more diverse processes. With just a press of a button or through sensor detection tools, the entire operational business cycle can be traced, reported faster, and more accurately to business users as a decision-making process (Costa Climent & Haftor, 2021).

Digital-based technology, for instance, can be intelligently combined with various technologies that present information through a machine using one or more applications involving information sources from other media (Bateman, 2021). With the implementation of digital-based technology, accounting information systems that previously could only be traced and reported at specific times and had minimal accuracy have become more effective. Reporting financial aspects through digital systems is more accurate and real-time, tailored to the preferences of decision-makers in the organization (Tortora et al., 2021).

The acceleration of digital technology has developed massively during the pandemic. Even before the pandemic, digital technology had already developed because business processes required super-fast and accurate operations (Kang et al., 2021). Especially in business activities related to financial transactions, the digital technology of accounting information systems has improved in terms of data accuracy, completeness, and security of financial transaction process storage (Karki & Porras, 2021).

However, behind the sophistication of technology, there are several challenges faced by technology users, including the need for investment in the adoption and maintenance of applied technology in companies. Despite this, technology implementation requires individuals with the ability to process data presented through digital technology. In its operation, it must use an internet connection with one or more applications.

4. Management Decision-Making in the Competitive Industry Environment

a. Definition of Decision-Making

Every decision-making process always results in a final choice. The output can be an action or an opinion on the choice. Decision-making is the process of investigating a problem starting from the background, problem identification, to the formation of conclusions or recommendations (Fahmi, 2011). According to Fahmi in 2016, decision-making, often referred to as "decision," means a choice among several possibilities. Dermawan (in Dermawan & Rizky, 2013) defines decision-making as a result found by an authorized individual or group in generating alternative solutions or achieving goals. Decision-makers actively take actions based on conscious choices among alternatives. Decision-making involves evaluating options and making choices among the available alternatives. In inductive reasoning, people use established rules to draw conclusions. However, when making decisions, these rules may not exist, and we may not know the consequences of the decision. Some information may be missing, and we cannot trust all the information we have (L. Cox et al., 2007).

b. Objectives of Decision-Making

The purpose of decision-making is to address or solve the relevant problem so that the efforts to achieve the intended goals can be implemented effectively (Sutabri, 2005).

c. Types of Management Decisions

Management requires information as the basis for their decision-making. The information system plays a crucial role in providing information for management at every level. Different management activities and decisions require different information. Therefore, to provide relevant and useful information for management, information system developers

must first understand the activities performed by management and the types of decisions made.

d. Stages of Decision-Making

Simon in 2002 stated that the stages that must be passed in the decision-making process are as follows:

1) Understanding Phase (Intelligence Phase): This stage involves exploring and detecting the scope of the problem and the process of problem recognition. Input data is obtained, processed, and tested to identify the problem.
2) Design Phase: This stage involves the development and search for alternative actions/solutions that can be taken. It represents a simplified version of real events that requires validation and verification processes to determine the accuracy of the model in examining the existing problem.
3) Choice Phase: In this stage, selection is made among various alternative solutions identified in the planning phase, considering the criteria based on the goals to be achieved.
4) Implementation Phase: This stage involves the application of the system design developed in the design phase and the implementation of the selected alternative actions in the choice phase.

e. Factors Influencing Decision-Making

Hasan in 2002 mentioned factors influencing decision-making, including:

1) Position/Status: Within the decision-making framework, a person's position or status can be seen in terms of:
2) Role Position: whether they are decision-makers, decision-takers, or staff.
3) Position Level: whether strategic, policy, organizational, operational, or technical.
4) Issue: The issue or problem is what hinders the achievement of goals, deviating from what is expected, planned, or desired, and must be resolved.
5) Situation: The situation includes all factors in a state that is interrelated and collectively influences us and what we intend to do.
6) Condition: Conditions encompass all factors that together determine our motion, ability to act, or capability. Most of these factors are resources.
7) Goal: The goals to be achieved, whether individual, unit (entity), organizational, or business goals, are generally predetermined. Goals set in decision-making are intermediate goals or objectives.

5. Capital Expenditure

a. Definition of Capital Expenditure

Companies that engage in capital investment tend to attract investors because it is expected that these investment decisions will bring greater profits in the future (Brealey et al., 2007). The use of Capital Expenditure as an investment decision gives a positive signal about the future growth of the company, which is then well-received by investors (Ahmad and Amanah, 2014). This aligns with signaling theory, where investment decisions can provide a positive signal to investors. This is because investors hope that the company's future growth will increase with such investments. Increased company growth reflects good corporate performance, leading to a concurrent increase in the company's value. Additionally, capital expenditures can optimize the company's cash flow in the future.

According to Saphiro in "Capital Budgeting and Investment Analysis" (2005:54), Capital Expenditure is an investment made with the expectation of generating future cash inflows. Therefore, companies must carefully consider capital expenditures to avoid future losses. The level of profit obtained in the current period also influences the company's decisions in making capital expenditures, but the return on assets from the investment made will significantly impact the capital expenditure incurred. Hery (2014:107) states that capital expenditure is the costs incurred to acquire fixed assets, enhance the operational efficiency

and productive capacity of fixed assets, and extend the useful life of fixed assets. These costs are usually incurred in substantial amounts but not frequently.

Capital expenditure is the costs incurred to acquire fixed assets, improve operational efficiency and productive capacity of fixed assets, and extend the useful life of fixed assets. These costs are usually incurred in significant amounts (material) but not frequently. Examples of capital expenditures include costs incurred to purchase fixed assets, additional components of existing fixed assets, with the aim of gaining benefits, improving efficiency, capacity, and/or extending the useful life of the related fixed assets. In other words, capital expenditures are expenses that are not directly charged as costs in the income statement but are capitalized as fixed assets on the balance sheet because these expenditures will provide benefits to the company in the future (more than one year).

Capital expenditure occurs when the benefits of such expenditures can only be enjoyed in the subsequent accounting period, and these expenditures will be charged to the accounting period that can enjoy these benefits (Pricilia, 2016). Capital expenditure, in the complete edition dictionary, is an expenditure used to obtain or improve capital activities, such as buildings and equipment, or expenditures of funds by companies expected to yield benefits for more than one year (Sumadji, 2013:135).

b. Components and Types of Capital Expenditure
   1) Equipment Replacement: This refers to the addition of assets due to new needs or the obsolescence of old equipment. For example, replacing a computer in a company because the existing computer is damaged is categorized as Capital Expenditure.
   2) Expansion to Meet Growth in Existing Products: If a company decides to expand to enhance existing products (both in terms of efficiency and market share development), the costs in the expansion project can be categorized as Capital Expenditure.
   3) Expansion Generated by New Products: Similarly, with plans to launch new products, requiring, for example, a new factory. All costs in establishing an operational factory can be included in Capital Expenditure.
   4) Projected Mandated by Law: This relates to the strictness of the law that occurs. This type is increasingly faced by companies lately, especially those in mining or other industries whose operations involve extracting something from nature. In essence, all expenditures made to comply with applicable laws (regulations) can be categorized as Capital Expenditure. For example, if a country's regulation requires the presence of a waste treatment facility around a factory emitting hazardous waste, all expenses related to the establishment of this waste treatment facility can be capitalized and classified as Capital Expenditure. This expenditure is different from ordinary company expenses. Also, the significant impact of Capital Expenditure decisions on cash flow and depreciation costs makes both of these types of expenses have a considerable influence on the company's financial condition, especially in terms of liquidity and profitability, as it will utilize a significant amount of company assets.

c. Objectives of Capital Expenditure

   Capital Expenditure is incurred for various reasons or motives. The basic motives for Capital Expenditure according to Gitman (2006) as cited in Handono (2010) include:
   1) Expansion: The most common motive for Capital Expenditure is to expand the overall level, usually through the acquisition of fixed assets. Growing companies typically need new fixed assets such as the purchase of property and factory facilities.
   2) Replacement: When a company's growth is slowing down and has reached maturity, capital expenditures are made to replace or repair assets that have been in use. The funds spent on repairs must be compared with the funds spent. If a machine is replaced with a new one and the benefits obtained if the machine is replaced with a new one.
   3) Renewal: As an alternative to replacement, it involves reconstruction, thorough examination for improvements.

4) Other Purposes: Some capital expenditures are not caused by the acquisition or transformation of tangible fixed assets but may involve a long-term commitment in expectation of future benefits

METHODS

Research Approach

In terms of data type, the research approach used in this study is a qualitative approach. Qualitative research aims to understand the phenomenon of what is experienced by research subjects holistically and descriptively using words and language in a specific natural context, utilizing various scientific methods (Moleong, 2007).

Data Collection Techniques

Sugiyono in 2012 stated that "the fundamental methods relied on by qualitative researchers for gathering information are participation in the setting, direct observation, in-depth interviewing, document review." The techniques used by the researcher in this study are interviews, observation, and documentation.

1. Interview

   Moleong in 2012 described an interview as a conversation with a specific purpose conducted by two parties: the interviewer asking questions and the interviewee providing answers to those questions. Through interviews, the researcher aims to obtain more in-depth information about the researched topic, which may not be discernible through observation alone. In this study, the researcher used a structured interview. Before conducting the interviews, the researcher prepared a systematically organized set of questions to guide the data collection. The interview guide consisted of written questions related to the use of management accounting information systems in planning and decision-making at PT. Sawit Jujuhan Abadi. To gather more in-depth information, the researcher also asked questions beyond the structured interview guide but still related to the research topic.
2. Observation

   Sugiyono in 2012 mentioned that through observation, researchers learn about behavior and the meaning behind that behavior. Spradley, as cited by Sugiyono (2012), stated that the research object in qualitative research consists of social situations involving places, actors, and activities. In this study, the researcher used direct observation to observe the activities related to the use of management accounting information systems. An observation guide was used to facilitate the assessment of the utilization of the management accounting information system.
3. Documentation

   Document collection was conducted to complement the information obtained from interviews and observations. Sugiyono (2012) mentioned that documents are records of past events, and research results are more credible/trustworthy when supported by accurate data.

RESULTS

Research Results

1. Fixed Asset Accounting Information System at PT. Sawit Jujuhan Abadi

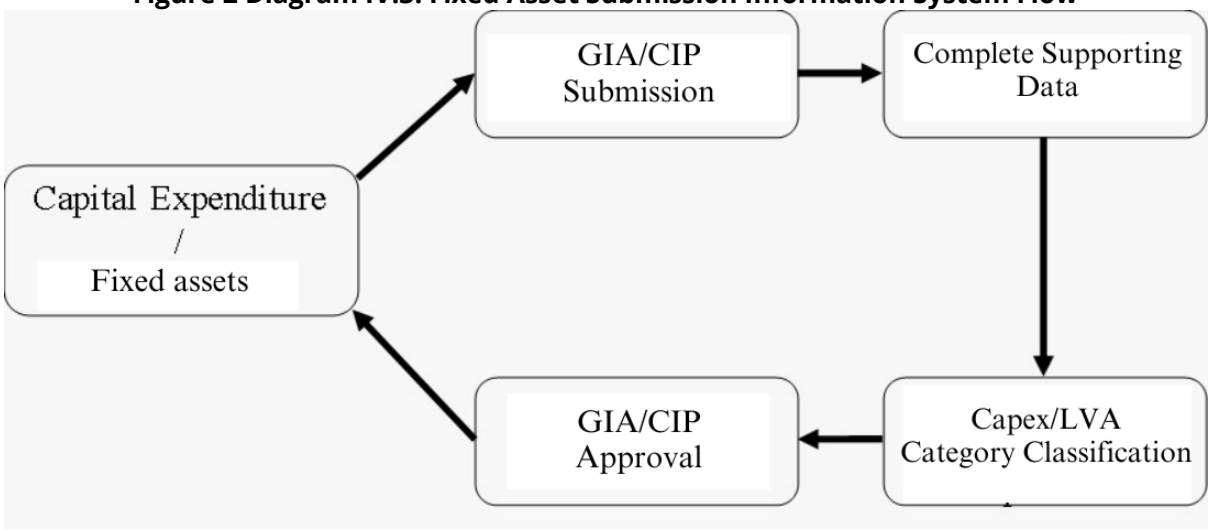
   To understand the usage of the fixed asset accounting information system at PT. Sawit Jujuhan Abadi, the first interview was conducted with the first informant. The following is an excerpt from the interview results:

   "If we talk about the flow, first, every year in July, we submit data with the main target names related to production targets and Capex & LVA proposals. Then in August, the detailed budget or

operational budget (opex) determination is done. However, it doesn't stop here; after knowing the fixed budget value, to realize Capex & LVA, we need to submit what we call an IO number (internal order). It starts with the submission of GIA/CIP, then grouping it based on its category, completing supporting data, the approval process by the approver, after approval and IO number registration, Capex/LVA can be realized and recorded periodically. After completing the project, it can be submitted for recording as a fixed asset, and then it appears registered as a fixed asset (informant Mr. Krisno Aritonang)."

Based on the above description, the flow of GIA/CIP submission can be illustrated as shown in the following diagram:

Figure 2 Diagram IV.3: Fixed Asset Submission Information System Flow



2. Documentation of Research Results

The documentation found by the researcher to present the research results includes the following documents:

Main Target File of PT. Sawit Jujuhan Abadi: A document describing the recap data of Capex and LVA Budget Submission used by the first informant in the initial annual submission process, both in summary and detail, as well as supporting documents for Capex and LVA items.

Standard Operating Procedure Document of PT. Sawit Jujuhan Abadi: A document showing the methods or processes for Capex and LVA submissions and the stages of their creation.

PT. Sawit Jujuhan Abadi Asset List Document: A document presenting the list of assets in PT. Sawit Jujuhan Abadi, including the acquisition date, source of acquisition, and book value of each asset.

PT. Sawit Jujuhan Abadi Factory Unit Report Document: A document presenting organizational structure data from staff to employees, as well as job descriptions for each employee.

DISCUSSION

Practicing Accounting Information System in Fixed Asset Investment Decision-Making at PT. Sawit Jujuhan Abadi

Based on the research findings, the researcher describes how the accounting information system practices fixed asset investment decision-making at PT. Sawit Jujuhan Abadi.

1. Submission of GIA (Group Investment Application) or CIP (Corporate Investment Proposal)

   After announcing the fixed budget for the next year, every December, the Manager (originator) fills out the Capex form provided by Mill Dept. or Estate Dept. (each CIP is allowed to contain only one list of assets unless it's for buildings and building sites).

   Before proceeding to the next process, which is filling out the capex form, the researcher tries to find out the reasons for the capex or project submission, as explained by the eighth informant:

   "...we submit capex or LVA based on our needs in the unit or field, how with this capex, it can help streamline the production process, make working methods easier, or even reduce high risks to health, safety, and environmental concerns (eighth informant, Mr. Immanuel J Panjaitan)."

   The Capex form (Capex or LVA category), consisting of CIP Capex, Expenditure item, justifications (for replacement items), must be completed according to the instructions and attached with supporting data such as Bill of Quantity, Quotations, and supporting photos.

   The completed form will be sent in hard copy through delivery services like JNE, JNT, and others to the Regional Office or Head Office according to the approver's list for approval by the authorized Personal Incharge.

   At this stage, there are several obstacles faced by the originator, as stated by the first informant:

   "...there are some obstacles when sending documents to the next approver. Often, these files are lost or scattered in the RO and HO offices because usually, in RO and HO offices, every incoming letter will only be handed over to members or subordinates from the approver list. And what often happens after it is signed, the approval is not helping to send or forward the file to the next approver. And even worse, if there is a correction or cancellation of the form by one of the approvers, so the user or originator has to resend the file in hard copy from the beginning according to the sequence of this approver list, it is very inefficient and ineffective because the project will be delayed if the approval process is delayed, and the cost of sending packages is also high (first informant, Mr. Krisno Aritonang)."

   Based on the obstacles and challenges mentioned by the first informant, this received a positive response from the system and procedure department, as conveyed during the interview with the second informant:

   "...it is true that at this time management requests evidence of accountability for the realization of capex in the unit or factory, with the condition that the form is signed directly by the applicant/originator and approver according to the authorization list. And with considerations that the scope of our business group is still on one island, it is felt that this can still be monitored by the originator. However, this remains a consideration for us to be able to help facilitate the capex submission process in the field or factory unit and still consider the accuracy and validity of each approver (second informant, Mr. Aris Muahhrahman)."

2. Asset Categories (Capex), Low-Value Asset (LVA), and Costs

   Asset (Capex): This section requires the originator to distinguish between filling out the capex or GIA form according to applicable standards. Examples of capex include the purchase or creation of new units of assets/facilities/infrastructure with a per-unit price equal to or above the minimum capitalization limit of IDR 13,000,000. Examples are provided for clarity.

   Low-Value Asset (LVA): This category includes the purchase or creation of new assets/facilities, infrastructure with a per-unit price equal to or above IDR 1,000,000 and below IDR 13,000,000. Examples are provided for clarity.

   Costs: This includes assets valued at a minimum of IDR 1,000,000 per unit, assets valued below IDR 1,000,000 per unit, not listed in the "Fixed Asset List" but monitored by each working unit as a fixed asset list with a value below IDR 1,000,000.

3. Supporting Documents for GIA/CIP (Corporate Investment Proposal)

   During this stage, the originator ensures that the attachments for the complete GIA/CIP supporting documents are in place, such as: Buildings (Location Map, Site Layout, Housing

needs for staff, Housing needs for employees, Insurance claim updates for buildings covered by insurance)

Transportation Tools (Analysis of available vehicles versus production needs for trucks and tractors), Water and Electricity Equipment (Calculation of housing water and electricity needs Estimated Bill of Quantities (BoQ) for in-house installation of air and electricity performed by the plantation/factory).

For asset items acquired through replacement or GIA/CIP application, the replacement classification must attach an approved "Fixed Asset Disposal Request" format up to the Regional Head level. (This typically occurs when an asset is physically present but has no book value, or vice versa. For instance, a photocopier is irreparable, and the repair cost exceeds its book value; in such cases, asset disposal can be carried out.) The Accounting Department at the Head Office will create an internal order after the approval process for fixed asset disposal is authorized.

Failure to attach these supporting documents may lead to project delays or even the suspension of the capex/LVA project. This is closely related to the accounting department's ability to create an Internal Order number, preventing the cost Location Code from being charged. Consequently, this affects the capex budget, automatically reducing opex.

4. Approval of GIA/CIP (Corporate Investment Proposal)

In this stage, several categories determine who will authorize or approve the GIA/CIP form, as categorized below:

CIP-Low Value Asset (LVA) Category:

a. CIP-LVA is ≥ Rp. 1,000,000 and < Rp 13,000,000
b. The originator, along with all attached supporting documents, will be authorized by the relevant authority as per the approval list.
c. Authorized approvers for CIP-LVA:
    1) Head Office: Senior Financial Controller
    2) Regional Office: Financial Controller & Regional Head
    3) Group Unit: Production Controller & Group Manager
    4) Plantation/Factory: EstDept Mgr, FC & RH
d. The purchase/work process can commence upon approval from the authorized personnel as per the Authorization List.
e. If the LVA budget is insufficient/exhausted, swapping costs from one job code/activity to another or from one plantation/factory to another is not allowed. Instead, an unbudgeted LVA request must be submitted.
f. The approval process for unbudgeted CIP-LVA is granted up to the Senior Financial Controller/Head Operation.

CIP-Operating & Maintenance Category:

a. The GIA/CIP - Operating & Maintenance category is ≥ Rp 13,000,000 per unit.
b. The designated personnel from the Regional Office (RO) submit GIA/CIP – Operating & Maintenance, along with all supporting documents, for processing approval by the authorized personnel.
c. The purchasing/work process can commence once GIA/CIP has received approval as per the authorization list.

Exceeding Approved GIA/CIP Amounts:

a. In cases where expenditures exceed the approved GIA/CIP amount, a budget swap must be performed, and approval for the budget swap must be sought from the authorized personnel.
b. The swap budget form is created by the Engineering or Estate Department, acknowledged by the Budget Controller, Accounting HO, and approved by the Senior Financial Controller.

c. Budget swaps can be conducted between regions, plantations, or factories for capex budgets that have not been realized.
d. Swapping costs for capex acquisitions is not allowed.
e. If there is no available budget for a budget swap, GIA/CIP can be submitted with an unbudgeted status. Direct/indirect cost swaps for capex acquisitions are not allowed.

Purchase of Asset Items (Category < Rp 1,000,000):

a. The work unit requests approval for Purchase Requests (PP) from the authorized personnel as per the applicable Authorization List.
b. Work/purchase of items in this category does not require filling out the GIA/CIP form (work/purchase of assets in this category must receive approval from the authorized personnel, and the work unit creates a list of assets as a reference).
c. Subsequent procedures for work/purchase of assets align with the applicable activity types (work/purchase).

Urgent Asset Purchases (Urgently):

a. The originator requests written approval from the Financial Controller and Regional Head. Written approval can be in the form of email, memo, or other written confirmations.
b. Criteria for urgently required work/asset purchases (to avoid operational/production losses and concerns for human safety).
c. The work unit manager initiating work/purchase of assets without approval is responsible for all consequences.
d. Procedures for applicable asset requests will follow subsequently.

Decision Analysis Based on the Flow Approval List:

a. Site Unit Level (Originator):

   The unit manager as the user/originator determines or proposes a capex project based on needs deemed helpful in enhancing operational smoothness at the unit. As expressed by the first informant:

   "We propose capex or LVA based on our unit or factory needs. With this capex, we can facilitate the production process, simplify work methods, increase production beyond targets, and help address the risk of workplace accidents, reduce environmental pollution, and have long-term economic value (informant Mr. Krisno Aritonang)."

b. Group Unit Level:

   The Production Controller approves a capex project based on considerations seen as capable of improving operational smoothness more rapidly to achieve predetermined targets. As stated during the interview:

   "We hope that every proposed capex can assist managers in working more easily, efficiently, and effectively, and most importantly, can increase production beyond the targeted (informant Mr. Amy Supriono)."

c. Regional Office Level:

   At this level, two positions determine if a project can proceed:

   The Financial Controller approves a capex project based on cost expenditure analysis used in a smaller timeframe or period than operational costs. If still within normal range for one cycle, it can be continued or implemented. As stated by the third informant:

   "Basically, we always support what the field proposes because it can help improve quality and increase production targets. However, there are still some considerations for us, especially in the finance and controller department, such as how long the capital expenditure will return within the operational costs for several periods. As long as it is still within normal range in one cycle, we will support it (informant Mr. Wirajaya Huang)."

The Head Mill approves a capex project based on how much it can assist operational smoothness, be completed within a shorter time, and can be maximally achieved within 3 months of work. As expressed during the interview by the PA of Mr. HM:

"Basically, we always support what is proposed by the management unit in the field or in the factory, considering how long the project can be completed. Usually, if it only takes less than three months, we can approve it with the consideration of not too long to disrupt factory operations (informant Mr. Djunius Calvin Nugraha)."

d. Head Office Level

At this level, there are also three positions that determine decision-making: Financial Controller Mill, Senior Financial Controller, and Deputy Managing Director. However, transactions rarely reach the DMD level; mostly, they only go up to the SFC level. At the SFC level, the criteria for approving a project involve analyzing ROA and ROI.

The considerations for approval stated by the fifth informant are as follows:

"*I specifically can approve a project to be carried out if the amount requested does not exceed the market price or vendor quotes or calculations from the civil and engineering team. As long as this is still within the normal category, I will support the unit management to continue the project (informant Mr. Ruben Ng)."*

Finally, the opinion of Mr. SFC regarding approval considerations for a project is conveyed as follows:

"If the ROA and ROI values are still within the normal range, we can approve the project to proceed (informant Mr. Felix Juan Chanda)."

Readiness of PT. Sawit Jujuhan Abadi Management in Implementing the E-Capex Accounting Information System Model in Fixed Asset Investment Decision Making

Based on the practice of fixed asset investment accounting information systems explained above, the researcher aims to assess the readiness of PT. Sawit Jujuhan Abadi Management in implementing the E-Capex Accounting Information System model in making decisions on fixed asset investments, considering several factors as follows:

1. Perceived Usefulness

Adhipura (2015) defines perceived usefulness as the belief in usefulness, the extent to which users believe that the use of technology/system will enhance their performance at work. Perceived usefulness is defined as the extent to which someone believes that the use of a specific information system will increase productivity, as stated by the first informant:

"In essence, we are very pleased if there is a system that can help smooth the factory's operational processes so that the submission does not take a long time, and the project can be implemented immediately, saving the cost of document shipping mobilization (first informant Mr. Krisno Aritonang)."

Based on the above description, the originator is generally open if there is an E-Capex system that can facilitate the submission process for Fixed Asset Investments. This sentiment is shared by the eighth informant:

"In essence, if the system is easy to use, we are very happy and feel very assisted because we don't have to bother printing and scanning the submission form, and the submission may not be approved immediately (eighth informant Mr. Immanuel J Panjaitan)."

In summary, the unit is generally in favor of the E-Capex system, hoping that it will be implemented to help streamline operations and is perceived as facilitating the process, not only from the unit's perspective but also from others, as expressed by the seventh informant:

"If management can plan and implement the system quickly, we are happy because it won't add to our work. Instead, it helps and makes our job easier, so we can focus on our work (seventh informant Mr. Felix Juan Chandra)."

2. Perceived Ease of Use

Perceived ease of use is defined as the extent to which someone believes that using technology will be effortless. Adhipura (2015) defines perceived ease of use as the belief in ease of use, the level at which users believe that the technology/system can be easily used without problems. Ease of use perception can be an indication that people find it easier to work with a new system compared to an old one.

The first informant shared his opinion about the ease of using the E-Capex accounting information system:

"If the system is directly integrated into each user's email or mobile phone, this is very convenient because there is no need to inform the staff and approvers separately. The network and support system should not have too many complicated features. (First informant Mr. Krisno Aritonang)."

The fourth informant also expressed his thoughts on the desired ease of use if the E-Capex accounting information system is implemented:

"If it can help and simplify, it's better, as long as it doesn't add to our workload. There are already many things to think about in the field, and opening the system is difficult, not to mention getting into it. But in essence, if the system can help and make it easier, I agree (fourth informant Mr. Amy Supriono)."

In summary, users hope that the system they will operate is not too difficult to understand and does not have too many features, making it easy to understand and operate.

3. Behavioral Intention to Use

Behavioral intention to use refers to the tendency of behavior to continuously apply technology. The theory of reasoned action (TRA) connects beliefs, attitudes, intentions, and behavior. According to this theory, intentions are a factor influencing action.

The first informant expressed his openness and enthusiasm for the digital technology system:

"I am actually open and accepting of digital technology systems that can help facilitate work, coordinate directly, monitor easily, and save time and costs. We hope that the language and features of the system are easy to understand and learn (first informant Mr. Krisno Aritonang)."

Based on the above, it can be concluded that all users are very open to the E-Capex accounting information system. Most users, however, hope that the features and language used in the system or technology are easy to understand and learn so as not to be considered a burden on their work.

4. Actual System Usage

The success of a newly launched technology-based service in improving services depends on the number of users and continuous usage. Successful technology adoption occurs when users increase in number and continue to use it. The actual use of a technology becomes a crucial factor. One user expressed their expectations regarding the E-Capex accounting information system:

"We hope this system can be implemented soon if the model and system language are the same as the manual one, just different in the submission medium. It used to be on paper and then printed, and now it is computerized and automatically sent after we complete entering the data, so we don't have to go to the city to send documents. It is easy for us because going to the city takes hours (first informant Mr. Krisno Aritonang)."

The use of accounting information systems is determined by the perception and attitude of each person, which will then shape the behavior of an individual in using information technology. The fourth informant also conveyed the expectations about the system:

"Of course, we are very happy if this system can be implemented in every factory unit, especially if it can be integrated with mobile phones or personal emails, so we don't have to bother opening emails at the office. There is already a lot of work in the field because of one submission. For example, we have to go up and down to the office just to approve it. That's the hope if it can be fulfilled (fourth informant Mr. Amy Supriono)."

If the accounting information system can provide convenience and benefits to individuals, there is a possibility that they will show their positive attitude, leading them to use the system. The theory of reasoned action (TRA) connects beliefs, attitudes, intentions, and behavior. In line with this theory, intention is a factor influencing action. The seventh informant expressed their satisfaction with the system:

"We are happy and feel helped even though it doesn't actually relate to us because the submissions sent are directly received and analyzed by those who should make decisions without going through us as intermediaries. So, for us, it is easy because there is no need to be deeply involved when some submissions are urgent or pressing and need quick decisions. (Seventh informant Mr. Felix Juan Chandra)."

In conclusion, users generally express openness and enthusiasm for the E-Capex accounting information system. However, most still hope that the system's features and language are easy to understand and learn, so as not to be considered a burden, but rather to help simplify their work.

CONCLUSION

Based on the explanation of the results and discussion of the research above, the following conclusions can be drawn:

1. According to the actual data in the field, PT. Sawit Jujuhan Abadi still follows a manual process for Capex project proposal submission using hard copy documents sent through transportation services to the RO and HO offices to obtain approval signatures. Users or originators face challenges in document delivery, with frequent loss of documents at the RO/HO office due to the submission form being only a few pages. Handling of the documents often involves staff or personal assistants before reaching the Approver, making monitoring difficult. Operational costs for document delivery between provinces are significant, both from the unit to the RO office and from the RO office to the HO office. The approval process becomes lengthy due to waiting for packages to arrive and be sent back, disrupting operational activities.
2. The Technology Acceptance Model (TAM) explains that individuals are driven by two factors: behavioral beliefs and normative beliefs. These factors lead individuals to have outcome evaluation and motivation to comply, influencing attitudes and subjective norms. Attitude and subjective norms affect attention/focus on behavior intention, which in turn influences individual behavior. Other external factors affecting this are the system model itself, including the application, language used, and easily understandable features, ensuring that users do not find difficulties or feel burdened by the e-capex accounting information system.

SUGGESTION

Based on the research findings, the researcher proposes several recommendations:

1. For PT. Sawit Jujuhan Abadi Management
   PT. Sawit Jujuhan Abadi is advised to collaborate with its IT management to design an appropriate e-capex accounting information system to facilitate the process of submission to approval for fixed asset investment. This can help streamline the workflow efficiently, effectively, and in line with the company's objectives.
2. For Future Researchers
   Future researchers are encouraged to conduct more in-depth studies related to the design, model, and the appropriate e-capex accounting information system. This system is expected

to assist both employees and management in executing the fixed asset investment submission procedure.

The limitations of this study are aimed at restricting the discussion to the core research issues. The scope determines the main concept of the problem so that the issues in the research can be easily and thoroughly understood. Research limitations are crucial to prevent confusion or misinterpretation of the research results. The scope of this research focuses on the Fixed Asset Investment Submission Accounting Information System implemented by PT. Sawit Jujuhan Abadi. Considering the researcher's background in Accounting, the focus is on the Fixed Asset Investment Submission System.

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