

Implementation of Management Information System, Implication on the Performance of Entrepreneur in West Bandung Regency

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Abstract—Business competition in the region especially in West Bandung regency, businessman who cannot stand competition. The purpose of this research is to learn the application of information system management implications for the performance of entrepreneurs MSMEs businessman in West Bandung Regency. Theories used in this research are Management Information Systems theory and Business Performance. This research used quantitative descriptive study and has an explanatory descriptive nature. The data collection methods were a list of questions, interviews, and documentation studies. The data analysis method used the Categorical Index Variable. The object of research is the population taken randomly from various types of MSMEs in West Bandung Regency and various types of MSME businesses with 150 correspondence. The results from this research through statistical tests are the application of management information systems can improve as well as enhance information systems from higher management information systems that will improve administrative performance in West Bandung Regency and hopefully will improve business.

Keywords— Management Information Systems, Performance

I. INTRODUCTION

According to the total small industry in Indonesia, it is slighter than another one, only 1.04% (546.567 units). The contribution, however, provided in nonoil and gas more than threefold of total number (3.56% compared with 1.045%), and contribute to gross domestic product (GDP) almost 10 times (9.96%) of total small industry (1.04%).

Through technical guidance, West Bandung Regency SMES wants to encourage MSME actors. From tourism information journals and creative industries, using mobile application technology information system applications can also help indirectly help promote. It is also expected to improve the society of the creative industries and increase the level of visits [1].

Management Information Systems according to Mulyanto Agus (2009) in his book system information concepts and applications that people, information technology and work processes through process, storage, analysis to provide information for its intended purpose is called the Management Information System. [2]

The scope of the management information system space is divided into sub-systems [3];

- 1) Accounting information systems.
- 2) Human resource information system.
- 3) Marketing and sales information systems.

- 4) Operational information system.

Gordon B. Davis (1991), Davis states that management information systems as a system that obtains data and instruction input, processing data that is adjusted to the instruction then becomes an information output. Through the explanation of management information systems, it can be seen that management information systems are integrated systems between users and applications that provide information to support the operational running of management and decision-making functions within the organization. Gordon B. Davis (1991;35) [3].

Understanding management information systems information collection of information systems that are responsible for processing and collecting data to provide useful information for all levels of management involved in planning and control. Jogiyanto Hartono (2000: 700) [4].

- 1) Internal

- a) Capital About 60-70% of MSMEs have not received banking access or financing. Among the causes, geographical barriers. Not many banks are able to reach remote and remote areas. Then administrative constraints, management of MSME business is still managed manually and traditionally, especially financial management. Managers have not been able to separate money from household and business operations.

- b) Human Resources (HR).

- 1) Lack of knowledge about the latest production technology and the way to run quality control on products. Reading skills market needs are still not sharp, so it has not been able to capture carefully the desired market needs. Product marketing still relies on simple ways of word of mouth marketing. Not yet making social media or internet network as a marketing tool. From the quantity side, it cannot yet involve more workers because of the limited ability to pay. Because SMES owners are still often involved in technical issues, so they don't think about the long-term strategic goals or plans of their business.[4] In general, MSME business actors are still individual legal entities. Accountability does not have a good financial administration and management system.

- 2) External

- a) The business climate is still not conducive. Coordination between MSME stakeholders is still unified. Government institutions, educational institutions, financial institutions, and business associations often run each other. The unfinished handling of the legality aspects of business entities and the smoothing of licensing procedures, structuring business locations, high transaction/business costs, infrastructure, policies in terms of funding for MSMEs.
- b) Infrastructure Limited business facilities and infrastructure are mainly related to technological tools. Most MSMEs use simple technology.
- c) Access Limited access to raw materials, so that MSMEs often get low-quality raw materials. Access to technology has not been able to keep pace with consumer tastes that are rapidly changing, especially for MSMEs that have been able to penetrate the export market, so that they are often bullied with large companies.

For the presentation of the above problems for MSME businessmen in West Bandung Regency can be identified from several factors, namely:

- 1) There are weaknesses in the application of management information systems in West Bandung Regency MSMEs on the managerial level of human resources.
- 2) Access Limited access to raw materials, so that MSMEs often get low-quality raw materials. Access to technology has not been able to keep pace.
- 3) Unresolved handling of legal aspects of business entities and the smoothing of licensing procedures, structuring business locations, high transaction/business costs, infrastructure, policies in terms of funding for MSMEs.
- 4) SMES owners are still often involved in technical issues, so they do not think about the long-term strategic goals or plans of their business.

Formulation of problems based on exposure to problems in the background, namely:

- 1) How is the application of management information systems and the performance of the entrepreneur in West Bandung Regency?
- 2) What is the relationship between the implementation of management information systems and the performance of the entrepreneur in West Bandung Regency?
- 3) How big is the influence of the application of management information systems, and performance both partially and simultaneously?
- 4) How big is the impact of management information systems on the performance of MSMEs in West Bandung Regency?

To determine the extent of the application of management information systems, and the performance of the entrepreneur. The entrepreneurs of SMEs in West Bandung Regency.

- 2) To analyze the relationship between the implementation of management information systems and the performance of the entrepreneur. in West Bandung Regency.
- 3) To examine how much influence the influence of the application of management information systems, and performance both partially and simultaneously.
- 4) To see the impact of management information systems the performance of MSMEs in West Bandung district.

To strengthen this research, there was a study from the journal "*The Influence of Information Technology Sophistication and Entrepreneurial Spirit on The Quality of Accounting Information*" by Nayda Al-khowarizmi Ryadi and Ni Nyoman Kerti Yasa (2016; E-Journal of Management Unud, Vol. 5, No. 3, 2016: 1915 - 1941 ISSN: 2302-8912) Information needed by all organizations to make effective decisions. In addition, all organizations have certain business processes that are constantly involved [5].

According to Darmini and Putra (2005), information technology is all forms of technology that are applied to process and transmit information in electronic form. Information technology is said to be able to help SMEs in providing the infrastructure needed to provide the right information for their users (Ghobakhloo, et al. 2012).

Information system applications can also indirectly help increase the promotion of a region's tourism sector and creative institutions produced by the community [6].

Making effective decisions, organizations must determine what decisions they need to make, what information they need to make decisions, and how to collect and process the data needed to produce information [7].

As has been explained that the application of management information systems and performance is, for that can be influenced the influence between the values of variable values as below [7].

For temporary estimates from the description above is:

- 1) Application of management information systems, the influential performance of the entrepreneur. The entrepreneurs of SMEs in West Bandung Regency.
- 2) Application of management information systems, the influential performance of the entrepreneur both partially and simultaneously.
- 3) The impact of management information systems, the influential performance of the entrepreneur of MSMEs in West Bandung Regency.

II. METHOD

This descriptive method aims to find out the nature and more in-depth relationship between two variables by observing certain aspects of the aspect specifically so that the data can be obtained in accordance with the problems discussed.

Where the processing flow of the data is processed, then analyzed, and further processed with the basic theory that has been studied until it can be drawn into a conclusion.

That descriptive verification method is a method that aims to describe whether or not the facts are there, and explain the relationship between variables studied by

collecting data, processing, analyzing and interpreting data in testing statistical hypotheses (Sugiyono, 2013;18) [8].

According to Suatarna (2010) states that in the information asymmetry theory can be anticipated by doing two things, namely by supervising and improving the quality of information [9].

In this study, there are four variables, namely Management Information Systems (X), Performance (Y). Following is the definition of an operational variable:

- 1) The management information system is a set of hardware and software compiled to process data into useful information. The scale of measurement is 1-10 points on question items
- 2) Performance, Review of performance seen from the expenditure (outcome). With a measurement scale of 1-10 points on question items to measure performance.

Hypothesis

For a temporary conjecture from the description above is

- 1) There is an influence of the application of management information and the performance of entrepreneurs. SMEs business people in West Bandung Regency.
- 2) There is a relationship between the application of management information systems and performance in West Bandung Regency.
- 3) Application of management information systems to performance, influencing both partially and simultaneously.
- 4) The impact of system information management affects the performance of MSMEs in West Bandung Regency.

III. RESULTS

West Bandung Regency in 2007 had a population of around 1,493,238 people. with a total of 298,648 households (HH). The population of Bandung Barat district consists of 758,670 male inhabitants and 734,568 female inhabitants spread in 15 sub-districts and 165 villages in West Bandung Regency. Viewed from the sub-district, the most populated sub-district is Lembang Sub district, with a population of 165,786 people or 11,10% of the population in West Bandung Regency. The sub-district with the least population is Rongga Sub district with a population of 57,471 inhabitants or only 3.85% of the total population of West Bandung Regency. (BPS; 2018) [8].

Population data sources are population registration data of the Population and Civil Registration Service. Bandung Barat district residents are all people who live in the territory of Bandung Barat district for 6 months or more and or those who live less than 6 months but aim to settle. Population density is the number of residents per square kilometer.

The working-age population is a population aged 15 years and over. The workforce is a working-age population (15 years and over) who works, or has a job but temporarily unemployed and unemployed.

The workforce is a productive age population aged 15-64 years who have had a job but are temporarily unemployed, and who are actively seeking work.

TABLE I. BUSINESS SCALE

Business scale	Number of businesses	Number of workers
UMB	1246	69.296
UMK	3727	277.183

Resource BPS Bandung Barat District 2018

It can be seen from the numbers. The number of MSE businesses is greater than UMB which means that the population's interest in entrepreneurship is very large, and the number of Workers as many as 277,183 people is greater in cultivating small and medium businesses [2].

Slovin formula is a formula or formula to calculate the minimum number of samples if the behavior of a population is not known with certainty. Slovin first introduced this formula in 1960. Slovin formula is commonly used in survey research where usually the sample size is very large, so a formula is needed to get a sample that is small but can represent the entire population [9].

From table 2 notation, n is the minimum number of samples, the N value is the population while the value of e is the margin error. Starting from the idea of this error margin, maybe the creator of this formula provides an opportunity for researchers to set a minimum sample size based on the error rate or the margin of error [9].

TABLE II. SLOVIN FORMULA

No	Information	Amount
1	Amount UMKM in Kab Bandung Barat	3.727 (N)
2	Margin Of Error	8% €
Amount sample		149,96 (150 sample)

$$n = \frac{N}{1 + Ne^2}$$

Based on the Probability Solvin random sampling technique, the samples were taken were 150 MSMEs in Bandung Barat district by including all the criteria for business and region. For the calculation of this sample already from 3727 populations were 150 be the sample.

IV. DISCUSSION

Of 150 correspondents, to find out the use of management information systems in their business. The data in Table 3 shows the frequency analysis here showing that the data is valid according to the number of correspondences

TABLE III. FREQUENCY STATISTIC SAMPLING

Statistics			
		TOTAL Q SIM	TOTAL Q KINERJA
N	Valid	150	150
	MISSING	0	0

Correlation analysis in Table 4 is a partial analysis involving two variables. Correlation values range from 1 to -1, the closer the value to 1 or -1 means the relationship between the two variables is getting stronger. Conversely, if

the value is close to 0 means the relationship between the two variables is getting weaker. 1).

The application of performance information systems for MSME business people in West Bandung Regency has developed and has a positive influence. This is evidenced by $t_{arithmetical} > t_{table} (3,893 > 1,658)$ significantly smaller than 0.05 ($p < 0.00$), and the regression coefficient has a positive value.

If you pay attention to the results of the connectedness of the two variables show similarity, namely improving management information systems will be able to help the performance of Small Business in Bandung Barat district [4].

TABLE IV. STATISTIKA CORRELATIONS VARIABLE

Correlations			
		TOTAL Q SIM	TOTAL Q KINERJA
TOTAL Q SIM	Pearson Correlation	1	.750**
	Sig. (2-tailed)		.000
	N	150	150
TOTAL Q KINERJA	Pearson Correlation	.750**	1
	Sig. (2-tailed)	.000	
	N	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

The analysis of partial correlation involves two variables. Correlation values range from 1 to -1, values getting closer to 1 or -1 means the relationship between the two variables is getting stronger. Conversely, if the value approaches 0 means the relationship between the two variables is getting weaker.

- The value of r total SIM relationship with performance is 0,000 $< 0,05$ and thus the correlation between the two variables is significant.

This also can be explored:

- The value of r total SIM relationships is positively related to performance.

Regression analysis in statistics is one method of determining a causal relationship between one variable and another variable; here is a conversation about independent variables and dependent variables [14].

With the intention of:

- Making estimates of the average and dependent variable values based on the value of the independent variable
- To test the dependency characteristic hypothesis, predict the average value of independent variables based on the value of independent variables outside the sample range.
- Based on the table 5 output spss "model summary". It is known that the coefficient of determination or R square is 0.562, the value of R square 0.562 comes from value estimation correlation coefficient "R,magnitude of the coefficient number determination (R SQUARE) is 0.562 or equal to 56.2% the numbers contain the meaning of variables management information system (X) affects the Performance variable (Y) amounting to 56.2%.

TABLE V. STATISTICA REGRESION

Model Summary				
Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.750 ^a	.562	.559	2.057

a. Predictors: (Constant), TOTAL Q SIM

while the rest (100% - 56.2%) is influenced by other factors the magnitude of other influences is also said error (e), to calculate the error value is we can use the formula $e = 1 - R^2$ the magnitude of the coefficient of determination or R Square generally ranges from 0-1, however so, if we find R Square in a study minus or negative (-).

It can be said that there is an influence of the x variable on the z variable, then the smaller the value of determination coefficient (R Square).

It means that the influence of the variable independent (x) on the bound variable (y) is getting weaker; on the contrary, if the value of R square is getting closer number 1, the influence will be stronger [10].

Based on the ANOVA table 6 above it is known that the significance value (Sig) in the F test is 0.000 because of Sig. 0.000 < 0.05 , so as the basis for decision making in the F test can be concluded that the management information system has a significant effect on the performance of MSMEs in West Bandung Regency [15].

With the hope that the application of management information systems that produce information, both useful for companies that carry out these activities and for other companies outside the company concerned because information is useful for all kinds and forms of activities within the company.

TABLE VI. ANOVA

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	803.400	1	803.400	189.943	.000 ^b
Residual	625.993	48	4.230		
Total	1429.393	49			

a. Dependent Variable: TOTAL Q KINERJA
b. Predictors: (Constant), TOTAL Q SIM

V. CONCLUSION

Discussion of the relationship of variable variables. Effect of Management Information Systems on performance from the results of this study it can be said that management information systems have a positive effect on the performance of the correlation test results that have a significant value of 0,000 the application of management information systems, affect the performance of the entrepreneurs. The entrepreneurs of SMEs in Bandung Barat district. The influence of the application of management information systems, and performance both partially 62% and simultaneously 75% on Good criteria for impact of management information systems on the performance of MSMEs in Bandung Barat district.

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