

A Web-Based Direct Labor Cost Accounting Information System Case Study of PT. Giri Mera Banjarmasin

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Abstract—Direct labor costs are part of the wage or salary system that is given to employees involved in the production process or certain services. Companies need to regulate the direct labor cost system, from the planning, placement, arrangement, recording to payment of wages to these employees. PT Giri Mera Banjarmasin is a distributor company, which distributes Charcoal products from the producers to consumers. Labor is directly involved in the process of sorting quality charcoal from the producers, then selling it to the consumers. Determination of direct labor wages is done manually with excel in calculating the daily income that has been done by the employees, and is paid every week. This becomes an obstacle in managing the accounting information system. This study aims to create a web-based direct labor cost accounting information system to determine wages based on the attendance of workers who are present and the calculation of how much work is earned per day. The results of this study can determine and record labor cost payment reports based on the attendance.

Keywords—*accounting information systems, direct labor cost, cost accounting*

I. INTRODUCTION

The rapid development in information technology (IT) has facilitated companies to generate and use accounting information systems (AIS) [1]. In addition, the fast development of technology has forced many organizations to improve their technology functions to make it more effective to be able to compete with others. The accounting information system is very important for all business organizations because it is a current global opportunity [2]. Therefore, a company cannot ignore the accounting information system because it plays an exceptionally important role for the sustainability of a company.

The development of AIS can be seen from the change in the accounting process from a manual accounting process to a more automatic one [3]. AIS is increasingly being used by companies to automate and integrate their business operations. The main objective of a company adopting SIA is to increase

business efficiency and increase competitiveness [4]. In addition, by using AIS a company can also collect and record data information of concern hence it can come up with an economic impact on the company and ensure operational efficiency and effectiveness of financial data reliability [1].

The accounting information system itself is a computer-based system with the aim of ensuring the quality of accounting information in order to improve control and improve the cooperation process within an organization so that information can be made available and accessible to end users who have the same needs. With the existence of SIA, the company can easily control, plan, and analyze the organization of the activities that have been carried out [1].

With the existence of AIS, financial reports such as cash flow reports, income statements, and balance sheets can be carried out more quickly with the means of a computerized accounting system by processing and converting data into accounting information [5]. In addition, AIS can also include the planning and management of business activities that can be used as a control mechanism such as budgeting. Therefore; implementing AIS can help companies to improve better performance in financial management [6].

Although research in the field of SIA has been done before, however; companies still have to consider a better management strategy to improve decision making that is directly related to accounting information systems and company business performance [7]. On the other hand, the control and monitor of a special management system for accounting information systems in a company needs to be done such as expenses and a system for calculating company costs and company budgets [8].

This study aims to design a Web-based direct labor cost accounting information system at PT Giri Mera Banjarmasin. Since the direct labor cost payment system in this company is still fairly manual, the company only records every income made by the worker. Direct labor costs are the wages incurred by the company to the employees when producing goods or

providing services. Direct labor costs are most often associated with product and job costing. In service industries, such as auditing, tax preparation, and consulting, employees are expected to track their hours worked by job, hence the employers can bill the customers directly based on the hours of working. This is also considered as direct labor costs. At PT Giri Mera Banjarmasin the labor costs are directly given to the workers every week and input by the administrator staff daily. Therefore, it requires a good accounting information system management process so as to there are no errors in the input process and to make it easier for the company to manage the management and financial control. Hence it is necessary to plan a good system by making a web-based accounting information system.

II. METHODOLOGY

The research method is a case study method of making an accounting information system (SIA) of direct labor costs (BTKL) at PT Giri Mera Banjarmasin. The details of the SIA for direct labor at PT Giri Mera Banjarmasin are as follows:

A. Payment System

A fee or wage payment system is provided to workers every week through direct distribution to labors.

B. Management System

The information management system for the direct payment of labor costs to employees comes from the amount of direct labor costs / wages for 1 week that must be paid by the company.

C. Head of Warehouse

The head of the warehouse is responsible for recording the income done by the labors every day and submitting daily income data to the financial administration department.

D. Financial Administration

The financial administration is responsible for calculating the total payment for labor costs to be incurred by the company and then submits a recap of labor costs to the director and submits the payment based on the director's approval.

E. Director of the Company

The director is responsible for checking the payment recapitulation reports submitted by the financial administration department and giving the labor payment money to the financial administration department to be distributed to the workers.

F. Direct Labor Cost Procedure

1) *List of direct labor costs:* Making a list of labor costs is directly carried out by the financial administration and is made based on daily labor attendance.

2) *Disbursement of labor costs:* After the financial administration department calculates the cost of labor, then the financial administration department will ask the director's approval.

3) *Payment of direct labor costs:* The procedure for paying direct labor costs will be carried out after the director validates the recapitulation of the payments provided by the financial administration department, then these costs must be paid to the workers every week. The financial administration department then issues 2 payment slips to be signed by the worker. Payment of costs is made directly to the workers.

G. Documents Used

1) *List of labor attendance:* The labor attendance list is used as a proof of attendance. The labors perform presence recording via signature before work begins.

2) *List of labor costs:* The list of costs is used as a request for the total cost that must be given to direct workers each week which are listed in the list for disbursement of costs to the director.

3) *Proof of payment of costs:* The proof used by the company is only a receipt, this proof is for labor information regarding the results of the costs received for 1 week.

III. RESULTS AND DISCUSSION

A. Daily Salary Form Design

The transaction form in the accounting information system (SIA) for direct labor costs proposed in this study is used for direct labor cost transactions per day. The direct labor cost transaction form is a form used to store labor cost data. This form will be inputted by the financial administration department. The data in this labor cost transaction is used for making expense reports in one week. Figure 1 below is a direct labor cost transaction form.

Fig. 1. Transaction form for daily direct labor costs.

B. Weekly Salary Form

The weekly salary form is used for weekly direct labor cost transaction forms. This form will be inputted by the financial administration department. The data in this labor cost transaction contains a list of salaries received by employees for

one week. Figure 2 below is a weekly direct labor cost transaction form.

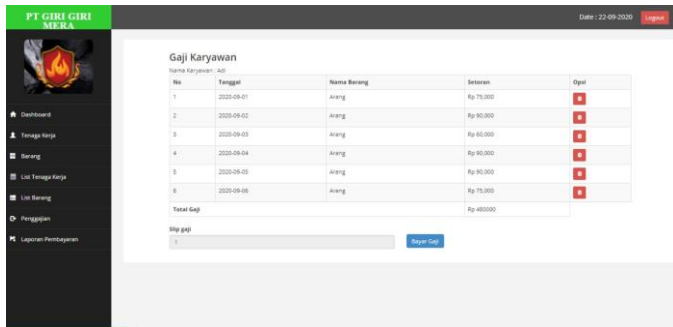


Fig. 2. Weekly direct labor cost transaction form.

C. Employee Salary Form

The employee salary form is used to report the detailed labor costs of each employee for one week. Employment data comes from the data entered by the financial administration department from daily and weekly money. Figure 3 shows Transaction form of direct labor costs details.

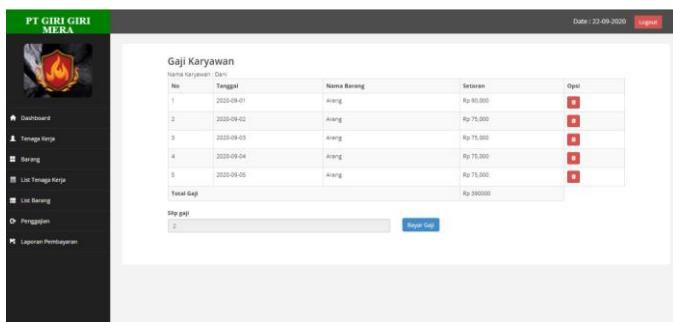


Fig. 3. Transaction form of direct labor costs details.

D. Salary Report Form

The labor salary report form is used to create detailed labor cost reports. Salary report data is obtained from the input of daily salary transactions and weekly salary transactions. Figure 4 shows the form of direct labor cost report.

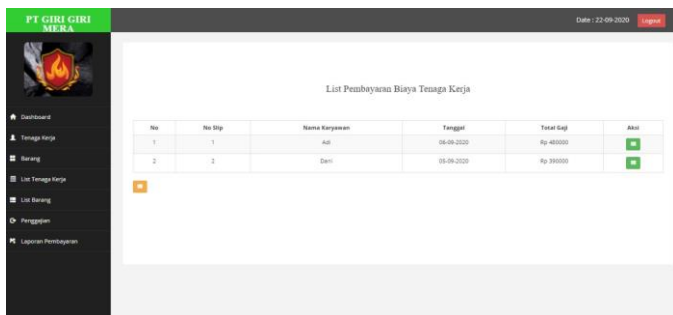


Fig. 4. Form of direct labor cost report.

E. Salary Report Output Design

Output documents are documents generated from daily salary transactions and weekly salary transactions. Figure 5 shows a form of direct labor cost report output.



Fig. 5. Form of direct labor cost transaction report output.

IV. CONCLUSION

The web-based payroll accounting information system proposed by this researcher is able to assist PT Giri Mera Banjarmasin in the process of paying direct labor costs because it can speed up the processing of salary data to be paid to the employees, either daily or weekly salary. Meanwhile, the proposed application can recapitulate monthly direct labor cost reports. In addition, this accounting information system also facilitates the process of management administration and financial control.

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