

The Influence of Socialization of SAK EMKM, Owner's Education Level, and Understanding of Accounting on the Implementation of SAK EMKM

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Abstract. MSMEs in Indonesia have an essential role as pillars in economic development. However, MSMEs face problems related to financial management and difficulties in compiling financial records by applicable accounting standards. SAK EMKM is a financial accounting standard to support progress and make things easier for MSME players. Several factors can influence the implementation of SAK EMKM, namely socialization of SAK EMKM, the owner's education level, and understanding of accounting. The population in this research is MSME Culinary Tourism Centers (SWK), which are actively registered with the Surabaya City Cooperatives, SMEs, and Trade Office. The sampling technique used purposive sampling with the criteria of MSME actors who received SAK EMKM socialization and carried out financial records to obtain a sample size of 122 MSME actors. Data collection for this research used a questionnaire. The data analysis technique used is multiple linear regression analysis. Test data quality with validity and reliability tests. Next are the classical assumption tests: normality, multicollinearity, and heteroscedasticity. The hypothesis tests used were the t-test and F-test. The results of this research stated that the socialization of SAK EMKM and understanding of accounting partially had a positive and significant effect on the implementation of SAK EMKM. In contrast, the owner's education level had no significant effect on the implementation of SAK EMKM. This research shows that the socialization of SAK EMKM, the owner's education level, and understanding of accounting simultaneously have a positive and significant effect on the implementation of SAK EMKM.

Keywords: implementation of SAK EMKM, understanding of accounting, socialization of SAK EMKM, owner's education level.

BACKGROUND

Micro, small, and medium enterprises (MSMEs) are important in Indonesia's economic development and essential to the Indonesian economy. Based on data from the Ministry of Cooperatives and MSMEs, the number of MSMEs in 2019 reached 65.4 million with a contribution to GDP of 60.51% or IDR 9,580.76 trillion. The contribution of MSMEs to the economy is that they can absorb 97% of the total existing workforce and collect up to 60.3% of total investment (Kemenkop UMKM, 2019). Considering the importance of this role, it required support from all over party developing and implementing advanced and independent MSMEs.

Based on an infographic on data from the East Java Cooperatives and MSMEs service, which also refers to BPS data, the contribution of Cooperatives and MSMEs to the East Java

economy in 2019, the contribution of Cooperatives and MSMEs to East Java's Gross Regional Domestic Product (GRDP) was 57.26%. Based on regencies/cities throughout East Java in 2019, Surabaya contributed 283.43 trillion (Diskop UMKM and BPS, 2020). Surabaya is the center of economic activity as a metropolitan city, with most of its population engaged in services, industry, and trade.

The high potential and contribution of MSMEs to the economy do not free MSMEs from obstacles related to financial management. One of the current problems faced by MSMEs is capital. The impact of this problem is that few MSMEs still use their business capital without separating funds for business and personal use. This can be caused by the lack of human resources (HR) quality in preparing financial reports for their business. Every business actor, whether corporate or private, at least publishes financial reports periodically (Tuti and Dwijayanti, 2014). Based on these financial reports, users of financial reports can assess business financial performance to make economic decisions. Financial reports provide information about the financial position, performance, and cash valuable flow for report users and show management's accountability for using their resources.

The Indonesian Accountants Association contributes to the development of MSMEs by publishing standards used by MSMEs in preparing financial reports. SAK EMKM has been simplified to make it easier for MSMEs to carry out the process of preparing financial reports regularly. The SAK EMKM financial report consists of a balance sheet, profit and loss report, and notes to the financial report. The EMKM financial accounting standard (SAK EMKM) is more straightforward than SAK ETAP because it regulates transactions commonly carried out by EMKM, and the measurement basis uses historical costs. The entity's financial report, according to SAK EMKM, only includes a statement of financial position, profit and loss statement, and notes to financial reports, which is more straightforward than SAK ETAP.

Carrying out the socialization of SAK EMKM is very important to increase understanding regarding applicable standards so that business actors can improve the quality of financial reports prepared for the development and progress of their business (Kusuma and Lutfiany, 2018). Previous research regarding the factors that influence the implementation of SAK EMKM in MSME financial reports is the socialization of SAK EMKM, research conducted by Krisjayanti and Tuban (2020), I Gede Agung and I Nyoman Sutapa (2020). The next influencing factor is the owner's education level. The level of education has a vital role in producing quality financial reports, so the level of education positively affects the quality of financial reports. A person's latest level of education can influence their understanding of

financial reporting with accounting standards (Jensen, M. C., & Meckling, 1976). Kusuma and Lutfiany (2018) Krisjayanti and Tuban (2020) .

The dimensions of financial reports have indicators, including understanding the qualitative characteristics of financial reports, the concept of calculating business results, the concept of preparing cash flow reports, the concept of preparing reports on changes in equity, and the concept of preparing notes to financial reports. The higher the management's understanding of accounting, especially the treasurer, the higher the quality of the financial reports produced (Diani, 2014); Romi (2018) and Kadek and I Gede Agus (2021).

Previous research has not combined the three factors that influence the implementation of SAK EMKM, namely socialization of SAK EMKM, level of education, and understanding of accounting, so it is hoped that this research will be able to provide a more detailed explanation. This research aims to find out how the socialization of SAK EMKM influences the implementation of SAK EMKM, how the perception of the education level of MSME owners influences the implementation of SAK EMKM, how understanding of accounting influences the implementation of SAK EMKM and how the socialization of SAK EMKM influences, the owner's education level, and understanding. Joint accounting for the implementation of SAK EMKM in MSME financial reports.

THEORETICAL STUDY

Socialization Standard Accountancy Finance Entity Micro Small and Medium (SAK EMKM), according to Agustin (2014), is the process of how individuals learn the ways of life, norms, and social values contained in their group so that they can develop into individuals whom their group accepts. SAK EMKM training can be obtained through the socialization of SAK EMKM organized by related parties, for example, the Surabaya City Small and Medium Enterprises Cooperatives and Trade Service, the Indonesian Accountants Association, or other institutions. According to Rudiantoro and Siregar (2012), Krisjayanti and Tuban (2018), and Badria and Diana (2018), MSME entrepreneurs will be much better off if they receive information and socialization to support the process of implementing accounting standards in their business.

According to Lestari (2016), the indicator of education level is formal education. Informal indicators are attitudes And Personalities formed from family and environment. The

function of education level, according to Widiensyah (2017), is that education makes a significant contribution to increasing the level of life, human quality, and national income.

According to research conducted by Lutfiany and Kusuma (2018), MSME actors' understanding of financial reports by accounting standards can support or improve the process of implementing financial reports based on SAK EMKM, which can help business actors develop their businesses. According to Warsono (2009) in Lohanda (2017), the essential components in studying accounting start from three components, namely: Input (input), which means in the form of transactions, namely events of a financial nature, systematic process, which consists of identifying transactions to compiling financial information. The primary specific accounting process is a recording, consisting of two functions: journaling and book entry. Output is in the form of financial information. One of the accounting outputs is a financial report on changes in equity, balance sheet, and cash flow report.

The accounting cycle is the stages starting from the occurrence of transactions to the preparation of financial reports so that they are ready for subsequent recording (2016:18). According to Puspitasari and Anggadini in the journal Febrianti and Mulyani (2017: 200): "In general, the accounting cycle describes the process of identifying evidence of transactions, recording evidence of transactions in the general journal (posting to the general ledger), grouping evidence of transactions into specific transaction groups. The same into the ledger, summarizing the evidence of transactions into a trial balance, carrying out adjustment (adjustment), doing paperwork (worksheet) and making financial reports (financial statements)". The financial accounting process/cycle, according to Mursyidi (2010:18), includes the following: Recording (recording) financial transactions, Grouping (classification), Summarizing, Reporting (reporting), and Interpretation (analyzing). This stage is a continuation of the technical accounting process, namely reading financial reports using specific tools and formulas so that the performance of the financial position and changes for an organization can be known.

Understanding Financial Reports According to Fahmi (2017), financial reports are information that describes a company's financial condition. Furthermore, this information can be used as an illustration of the company's financial performance. PSAK No. 1 (2015:2) states, "Financial reports are part of the financial reporting process. A complete financial report includes a balance sheet, profit and loss statement, report on changes in financial position (which can be presented in various ways, for example, as a cash flow statement or funds flow statement), notes and other reports, and explanatory material that are an integral part of the financial report. According to SAK EMKM (2018), the information elements of an entity's

financial position consist of information regarding the entity's assets, liabilities, and equity on a specific date. They are presented in the financial position report.

According to SAK EMKM (2018), information on an entity's financial performance includes income and expenses during the reporting period. It is presented in the profit and loss financial report. Fair presentation of financial statements requires an entity to present relevant objective achievements, representation, comparability, and understandability. The complete presentation of an entity's financial statements at the end of each reporting period consists of a statement of financial position at the end of the period, a Profit and loss statement during the period, and Notes to the financial statements containing additions and details of certain relevant items. An entity's statement of financial position may include the following items: Cash and cash equivalents, Receivables, Inventory, Fixed assets, Accounts payable, Bank loans, and Equity.

According to the Indonesian Accountants Association (IAI) (2016:11), "the profit and loss statement includes all income and expenses recognized in one period, except SAK EMKM, which regulates the treatment of the impact of correction or justification of an error and changes to an accounting policy which are presented as adjustments." for the previous period and is not part of profit or loss in the period in which the change occurs." An entity's income statement may include the following items: Income, Financial expenses, and Tax expenses. Indonesian Accountants Association (IAI) (2016:13), which is called CALK (Notes to Financial Reports), contains the following: Statement that SAK EMKM, Overview of accounting policies, has prepared the financial statements. Additional information and details of certain items that explain essential and material transactions so that they are helpful for users to understand financial reports.

In order to help MSMEs meet their financial reporting needs, P SAK IAI 2016 prepared and ratified Micro, Small, and Medium Accounting Standards (SAK EMKM). SAK EMKM was prepared to meet the financial reporting needs of micro, small, and medium entities. This standard is intended for use by entities that do not or have not been able to fulfill the accounting requirements regulated in SAK ETAP. Micro, Small, and Medium Entities (EMKM) are entities without significant public accountability, as defined in SAK ETAP, that meet the definition and criteria of micro, small, and medium enterprises as regulated in applicable laws and regulations in Indonesia for at least two years.

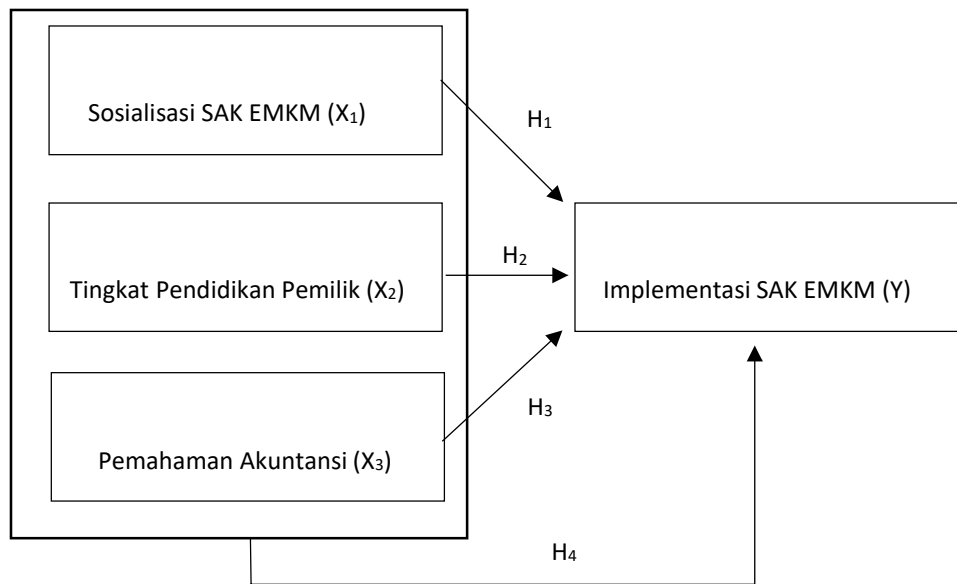
So, in this research, the following framework is used: first, the influence of socialization of SAK EMKM on the implementation of SAK EMKM. Socialization is the process of a person acquiring knowledge, skills, and attitudes so that they can function as an adult and as an active

actor in a particular position or role in society (Ritcher in Dewi, Yuniarta and Wahyuni (2017: 4). The party Relevant parties organize socialization of SAK EMKM include the Surabaya City Cooperatives, Small and Medium Enterprises and Trade Department, the Indonesian Accountants Association, or other institutions. The research results of Krisjayanti and Tuban (2018) state that the socialization of SAK EMKM has a positive effect on the implementation of SAK EMKM, which is in line with the results of Badria's research. Moreover, Diana (2018) stated that the socialization of SAK EMKM positively affected its use.

Second, the influence of the owner's education level on the implementation of SAK EMKM. According to Lestari in Wirawan (2016), education "is a person's activity in developing their abilities, attitudes, and forms of behavior, both for future life through certain or unorganized organizations." The results of research conducted by Krisjayanti and Tuban (2018) stated that the owner's education level positively affected the implementation of SAK EMKM. According to Rudiantoro and Siregar (2012), some factors can influence the views of business actors regarding the importance of financial reports for business development, namely the latest level of education.

Third, the influence of understanding accounting on the implementation of SAK EMKM. Accounting is essential for business actors and is directly related to business activities. What can differentiate it from the others is whether or not financial reports are applied based on financial accounting standards in Indonesia. Structured accounting can be used as a decision-making tool for business actors for the progress of their business in the future. Research conducted by Krisjayanti and Tuban (2020) and Romy (2018) states that understanding accounting has a positive and significant influence on the implementation of SAK EMKM because if MSME actors understand and can prepare financial reports by the accounting standards applicable in Indonesia, then it can be said that MSME actors understand about SAK EMKM.

From the conceptual framework explained above, the conceptual framework can be described as follows:



Source: Processed data (2023)

Figure .1 Conceptual Framework

RESEARCH METHODS

This research uses a quantitative approach, which is objective and includes analysis and data collection techniques using statistical testing methods (Fatihudin, 2019). The operational definition of variables in this research is as follows: Dependent Variable (Y) is the Implementation of SAK EMKM where standards are prepared to meet the financial reporting needs of micro, small, and medium entities (EMKM) is an entity without significant public accountability, as defined in SAK EMKM, which meets the definitions and criteria as regulated in the applicable laws and regulations in Indonesia.

The Independent Variable (X) is the Socialization of SAK EMKM (X₁), which is the socialization of training received by MSME actors regarding SAK EMKM obtained from related parties such as the Surabaya City Small and Medium Enterprises Cooperatives and Trade Service, IAI, or other institutions. Owner's Education Level (X₂) is a person's activity in developing their abilities, attitudes, and forms of behavior, both for future life through specific or unorganized organizations (Lestari, 2016). Understanding Accounting (X₃), according to Poerwadaminta (2006), means being clever and understanding correctly, while understanding is a process or the act of comprehending. Someone who is said to understand accounting is a person who can measure, differentiate, and summarize the presentation, elements, and financial reports by the applicable provisions in SAK EMKM.

In this study, a Likert scale was designed to examine how strongly respondents agree with a statement with the following information: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree. In this research, the population used is MSMEs assisted by the Surabaya City Cooperatives, Small and Medium Enterprises, and Trade Department in the culinary/food and beverage sector, namely the Surabaya City Culinary Tourism Center (SWK). These MSMEs are business actors registered with the Surabaya City Small and Medium Enterprises Cooperatives and Trade Service from 2021-2026, totaling 1,072 MSMEs (Diskopdag Strategic Plan 2021-2026).

According to Sugiyono (2017), the sample is part of the number and characteristics of the population. Researchers can use samples taken from the population. Sampling Technique is a sampling technique. Various sampling techniques are used to determine the sample to be used in research, Sugiono (2017). In this research, the sampling technique used was purposive sampling. Purposive sampling is a sample selection method according to predetermined criteria. The sample criteria in this research are MSME actors who have received socialization on making financial reports based on SAK EMKM, totaling 122 MSME actors who have carried out financial records.

The data collection technique in this research uses primary data using survey techniques. The survey instrument used in this research was a questionnaire. Sugiyono (2017) states that a questionnaire is "a data collection technique that is carried out by giving a set of questions or written statements to respondents to answer." The analytical tool used in this research is the SPSS (Statistical Package for the Social Sciences) program.

It is necessary to conduct validity and reliability tests to get correct and accurate results. The validity test is carried out to determine whether the measuring instrument used to obtain the data is valid (Sugiyono, 2018). Valid means that the instrument in the research can use a measure intended to be measured. A measuring instrument is declared valid if the instrument in the research is a measurement that should be measured accurately. A questionnaire is declared valid if the questions can reveal something that the questionnaire will measure. In this research, validity testing was carried out by comparing significance values using SPSS tools. According to Gunawan (2019), to determine whether a statement item is valid, use the following method: If the significance value is <0.05 , then the item is valid. If the significance value is >0.05 , then the item is invalid.

Instrument reliability testing is said to be reliable. If the instrument is used several times to measure the same object, it will still produce the same data (Sugiyono, 2019). The reliability test in this research was carried out using a tool in the form of SPSS. With the decision-making

criteria as stated by Ghozali (2018), if the Cronbach Alpha coefficient is > 0.70 , then the question is declared reliable, or a construct or variable is declared reliable. Conversely, the question is declared unreliable if the Cronbach Alpha coefficient < 0.70 . Test classical assumptions to provide certainty that the regression equation obtained is accurate in estimation, unbiased, and consistent. Classic assumption tests include normality tests, multicollinearity tests, and heteroscedasticity tests. Hypothesis testing consists of a partial test (t-test), which is used to test whether there is a significant influence between each independent variable (X) and the dependent variable (Y). Simultaneous Test (F Test) According to Ghozali (2018), the F Test aims to determine whether the independent variables together affect the dependent variable. In this research, the statistical test for the significance level used is 5% (0.05), which means the risk of decision-making errors is 0.05.

RESULTS AND DISCUSSION

Results

Description Demographics Respondent in study This was done by visiting MSME actors directly at the Culinary Tourism Center in the City of Surabaya. The sample questionnaire results obtained are spread across this study, namely 122 suitable respondents with purposive sampling criteria. Based on the 122 active MSME actors, the respondents are owners as well as individuals who directly manage their businesses. With table respondents as follows:

Table 1. Characteristics of Respondents

Demographic Characteristics		Frequency	Percentage
Gender	Man	44	36.4%
	Woman	78	63.6%
Age	<20 Years	21	16.57%
	21 – 30 Years	58	47.9%
	31 – 40 Years	30	24.4%
	41 – 50 Years	11	8.85%
	>50 Years	2	1.2%
Last education	JUNIOR HIGH SCHOOL	11	8.76%
	SENIOR HIGH SCHOOL	110	90.68%
	D 1,2,3	1	0.28%
	S1	-	-
	S2	-	-

Source: Processed data (2023)

Next, test the quality of the data, namely by testing validity and reliability testing. Test validity is done. The tool measuring used to obtain the data is valid (Sugiyono, 2018). In the study, test validity was done with compare mark significance, Which was done using tools in

the form of SPSS. According to Gunawan (2019), a statement in a questionnaire is declared valid or No if If mark significance < 0.05 , so the statement is declared valid. However, if the significance value is > 0.05 , the indicator variable Socialization SAK EMKM's mark significance < 0.05 . So that *items* are declared valid. The variable indicator Owner Education Level has a value significance < 0.05 . So it is stated valid. The variable indicator Accounting Understanding has a mark significance < 0.05 , so the *items* stated are valid. Indicator variable Implementation SAK EMKM own mark significance < 0.05 . So, that second item is stated as valid.

Test Reliability Instruments said that if instruments are used several times to measure the same object, they will still produce the same data (Sugiyono, 2019). Test reliability in the study This was done with a tool from SPSS. With criteria deciding as stated by Ghozali (2018), that is, if the coefficient Cronbach Alpha > 0.70 , the question is stated to be reliable, or neither constructs nor variable is stated to be reliable. On the contrary, If the coefficient *Cronbach Alpha* < 0.70 , the question stated No reliable. Results test reliability for questionnaire Socialization SAK EMKM, Owner Education Level, and Understanding of Accounting to Implementation SAK EMKM results testing reliability shows that the *Cronbach alpha value* for the independent variable reliable And variable dependent Implementation SAK EMKM said reliable with value Which show on 0.70.

Test Assumption The classic consists of the first you *ji normality* _ study. This done be purposeful _ Fortest normal or not all variables used in this research. Normality test carried out in the research. These are the variables tested: Socialization of SAK EMKM, Level of Education Owner, and Understanding Accountancy on Implementation of SAK EMKM. Normality testing uses techniques *Kolmogorov Smirnov* through a *Monte Carlo approach (2-tailed)*. Suppose the resulting value is more significant than 0.05. In that case, the residual is typically distributed ($\text{sig} > 0.05$), and vice versa if *Monte Carlo sig(2-tailed)*, Which generated not enough from 0.05, can say residuals not customarily distributed ($\text{sig} < 0.05$). Results _ testing normality is known to mark a significance of $0.82 > 0.05$. Then, we can conclude that the questionnaire data from all variables in this study is usually distributed.

Second, you *ji m multicollinearity* On study This objective from test multicollinearity: To test whether the regression model found a correlation between independent variables. Testing multicollinearity be measured using mark *tolerance* And (*VIF*), determined if There is multicollinearity is mark tolerance ≥ 0.10 And mark VIF ≤ 10 , it can be said that model regression Nocontains symptom multicollinearity so Also on the contrary. Multicollinearity testing It is known that all the independent variables of this research have a *tolerance value* \geq

0.10 and a *VIF value* ≤ 10 , so you can say that all variables in the study do not contain symptoms of multicollinearity.

The third test, *h*, heteroscedasticity, aims to test whether, in the regression model, there is inequality of variance from residual one observation to observation other. The condition is that if the significant value is > 0.05 , the conclusion does not happen exists symptom heteroscedasticity, whereas if the significant value is < 0.05 , then the conclusion occurred exists heteroscedasticity. *H* test results show that all variables are independent in the study. This does not happen with symptom heteroscedasticity. Fourth, an analysis of regression aims to prove the influence between variables, independent socialization SAK EMKM, and level education owner, understanding accountancy to variables dependent on the implementation of SAK EMKM, as well as to show the relationship between variables.

The equation of the coefficient value of *X1* shows the value positive that is as big as 0.137, Which shows that every increase of 1 unit variable socialization SAK EMKM will influence variables dependent implementation SAK EMKM increase of 0.137 and vice versa. From the equation, the coefficient value of *X2* shows the value negative, that is, as big as -0.019, which indicates that every decrease of 1 unit in the owner's education level variable will affect the dependent variable implementation of SAK EMKM decrease as considerable as -0.019 likewise on the contrary. From the equation, the coefficient value of *X3* shows a positive value that is as big as 0.395, Which shows that every increase in 1 unit variable understanding accountancy will influence variables dependent implementation SAK EMKM an increase of 0.395 as well on the contrary. The results of multiple linear regression analysis show that the variable with the highest beta coefficient, or which is the largest compared to other independent variables, is the accounting understanding variable with a coefficient of 0.395. This shows that variables understanding accountancy have the highest influence on the dependent variable implementation SAK EMKM.

Results Test The hypothesis consists of the first Test Partial (*t*-test). In the study, this test Partial (test *t*) aims for the test to determine which significant difference between each variable independent (*X*) to variable dependent (*Y*). The results of partial test data processing (*t*-test) from variable independent to variable dependent on the study show that the significance of SAK EMKM's socialization to implementation SAK EMKM is minor compared to mark significance, Which has been determined to be $< 0.001 < 0.05$. Based on the results, it can concluded that the socialization of SAK EMKM is influential and significant to the

implementation of SAK EMKM. The first hypothesis states that "Socialization SAK EMKM influential positive And significant to Implementation of SAK EMKM" accepted.

In level education, the owner pointed out that the mark significance level education owner caught implementation SAK EMKM bigger than the predetermined significance value, $0.720 > 0.05$. Based on these results, it can be concluded that the level of education owner No significantly influences the implementation of SAK EMKM. The second hypothesis, which states, "The owner's education level has a negative influence and whether it is not significant to Implementation of SAK EMKM," was rejected. On understanding accountancy shows that the value of the socialization of SAK EMKM is significant, the implementation of SAK EMKM is smaller compared to mark significance, Which has determined that it is $<0.001 < 0.05$. Based on the results, it can concluded that there is socialization _ _ SAK EMKM influential and significant to the implementation of SAK EMKM. The third hypothesis states that "Understanding accountancy influential positive And significant to Implementation of SAK EMKM" accepted.

Second, uji s simultaneous (Test F). This research aims to test whether this is found to be significant between all variables independent in research and simultaneously influences the dependent variable. Testing _ test F on study This shows that mark The significance of the ANOVA output is smaller than the existing significance value determined that is $<0.001 < 0.05$. Thus, this proves that the independent variable in this research is Socialization SAK EMKM, Level Education Owner, and Understanding Accounting, which together have a significant effect and are favorable to the variable dependent, that is, Implementation SAK EMKM. At this moment, the fourth hypothesis statement, "Socialization SAK EMKM, Level Education Owner, And Understanding Accounting together has a significant effect And positive to variable dependent that is Implementation SAK EMKM in a way together (simultaneously)," is accepted.

Discussion

The Influence of Socialization of SAK EMKM on the Implementation of SAK EMKM, based on analysis data using SPSS, can be interpreted that socialization of SAK EMKM has a significant influence on the implementation of SAK EMKM with the support of a positive direction, so it can be interpreted that the higher the socialization activities of SAK EMKM that are held and regularly participate in the socialization of SAK EMKM, the better MSMEs implement financial reports by SAK EMKM. SAK EMKM (X1) socialization explains that socialization is a process of somebody acquiring knowledge, skills, and attitudes so that they can function as adults and as active actors in a particular position or role in society (Ritcher

(2017) while the implementation of SAK EMKM (Y) refers to actions to achieve the goals that have been set in a decision (Mulyadi, 2015).

In this case, the more MSME actors participate regularly and understand the socialization of SAK EMKM, the more MSME actors will reflect responsible discipline, which can be implemented well in their financial reports. The results of this research are also in line with the results of research conducted by Kusuma and Lutfiany (2018) and Kadek and Agus (2021), which stated that socialization of SAK EMKM had a significant positive effect on the implementation of SAK EMKM.

The influence of the owner's education level on the implementation of SAK EMKM based on data analysis using SPSS can be interpreted that the level of education (X2) does not have a significant influence on the implementation of SAK EMKM (Y) without being supported in a positive direction. This is because, however, the final education level of MSME owners does not significantly affect the implementation/implementation of SAK EMKM; this is because the indicators in this research are educational level variables measured by formal and non-formal education. MSME players can keep financial records from informal education provided by the Surabaya City Small and Medium Enterprises Cooperatives and Trade Office through regular coaching. The results of this research agree with research conducted by Romy Eka Putra (2018), which shows that the owner's education level does not significantly affect the implementation of SAK EMKM.

The Influence of Understanding Accounting on the Implementation of SAK EMKM based on data analysis using SPSS can be interpreted that understanding accounting has a significant influence on the implementation of SAK EMKM with support in a positive direction, so it can be interpreted that the higher the level of accounting understanding of MSME actors, the higher the understanding of the implementation of SAK EMKM in reports. Business finances. Accounting understanding (X3), according to Lutfiany and Kusuma (2018), explains that MSME actors' understanding of financial reports by accounting standards can support or improve the process of implementing financial reports based on SAK EMKM where this can help business actors to develop their business. Understanding accounting influences action intentions in managing their financial reports. In this case, the more MSME players understand accounting, the more they will implement their financial reports by SAK EMKM. The results of this research are supported by previous research conducted by Krisjayanti and Tuban (2020), Romy (2018), and Kusuma and Lutfiany (2018), stating that understanding accounting has a significant positive effect on the implementation of SAK EMKM.

The influence of socialization of SAK EMKM, owner's education level, and understanding of accounting on the simultaneous implementation of SAK EMKM based on data analysis using SPSS can be interpreted as socialization of SAK EMKM (X1), owner's education level (X2), and understanding of accounting (X3) together. The same/simultaneous significantly influences the implementation of SAK EMKM. In this case, it shows that someone can be influenced by the socialization of SAK EMKM, where it is hoped that the program will add knowledge and mindset to implement SAK EMKM well, add to the education level of MSME owners and their understanding of accounting which can be a driving force for implementing financial reports by SAK EMKM so that they can take wise decision for his business.

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the research and discussions that have been carried out, the following conclusions can be drawn: firstly, socialization of SAK EMKM has a significant positive effect on the implementation of SAK EMKM, meaning that the higher the socialization of SAK EMKM and the routine of following it, the more MSME players will be able to implement their financial reports by SAK EMKM. Both levels of education of the owner have a negative and insignificant effect on the implementation of SAK EMKM, meaning that the education level of the business owner has no significant effect on the implementation of SAK EMKM. The three accounting understandings have a positive and significant effect on the implementation of SAK EMKM, meaning that the better the understanding of accounting, the greater the influence on the implementation of SAK EMKM. The understanding of accounting possessed by MSME players will encourage them to implement SAK in their businesses. Fourth, simultaneously, the socialization of SAK EMKM, the owner's education level, and understanding of accounting significantly influence the implementation of SAK EMKM.

Based on the research data that has been obtained, the suggestions that can be given are as follows: firstly, for SWK MSME actors in Surabaya City, socialization of SAK EMKM, the owner's education level, and understanding of accounting are essential things for SWK MSME actors to can improve the quality of preparation of business financial reporting. Attending SAK EMKM socialization means that the more information they get from the training, the more the SWK MSME actors can interpret it into their own business. In contrast, if MSME actors understand accounting, it will be easier to improve their financial reports. Many benefits will be obtained by increasing the quality of financial reports, including finding out the financial

condition of the business and providing information for financial institutions as a condition for obtaining loans for business development funds.

Secondly, it is hoped that further research will be able to use other, better independent variables that can influence the implementation of SAK EMKM. It is hoped that future researchers can expand the data collection methods from respondents so that the collection of information obtained can be broader and more varied in current research.

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