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BOOK OF CONFERENCE PROCEEDING

3rd BEMSS

**THE 3RD INTERNATIONAL CONFERENCE ON
BUSINESS, ECONOMY, MANAGEMENT AND
SOCIAL STUDIES TOWARDS SUSTAINABLE ECONOMY**

KUALA LUMPUR | JUNE 19-20, 2019

SUPPORTED BY:



Abstract Proceeding Book
of
3rd International Conference
on Business, Economy,
Management and Social
Studies towards Sustainable
Economy (3rd BEMSS)

June 19 - 20, 2019

Kuala Lumpur, Malaysia



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of
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Economy, Management and Social Studies
towards Sustainable Economy**
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Office Address:

Jl. Kancra No. 11, Bandung 40262, Indonesia

Contact: (+62) 8112331733

Email: contact@researchsynergy.org

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FOREWORD

Research Synergy Foundation is the 1st Indonesian social enterprise platform that focus on developing collaborative networks among both researchers, lecturers, scholars, and practitioners globally for the realization of an equal quality of knowledge acceleration between developed and developing countries. We focus on opening the gates of research collaboration between countries. We introduce and encourage scientific publications from developing countries. We create scientific forums in order to boost the creation and diffusion of new knowledge.

Known as a catalyst and media collaborator among researchers around the world is the achievement that we seek through this organization. By using the media of International Conference which reaches all researcher around the world we are committed to spread our vision to create opportunities for promotion, collaboration and diffusion of knowledge that is evenly distributed around the world.

Our Vision:

Our vision is to be world class organization that encourage acceleration quality of knowledge in developing country.

Our mission:

First, promoting scientific journals from developing countries as an equitable distribution tools of knowledge. Second, opens research collaboration opportunities among countries, educational institutions, organizations and among researchers as an effort to increase capabilities. Third, create a global scientific forum of disciplinary forums to encourage strong diffusion and dissemination for innovation.

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Hidiyah Ayu

Information and Technology Support by Scholarvein Team

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CONFERENCE CHAIR MESSAGE

We are delighted to welcome you to the 3rd International Conference on Business, Economy, Management and Social Studies towards Sustainable Economy (3rd BEMSS) by Research Synergy Foundation and Scholarvein as official partner held on June 19 – 20, 2019 at Hotel Capitol, Kuala Lumpur, Malaysia.

The aim of Conference is to bring together leading academician, researchers and scholars to exchange and share their experiences and research results on all aspects of Business, Economy, Management and Social Studies towards Economy. 3rd BEMSS 2019 International Conference shows up as a cutting-edge Social Research platform to gather presentations and discussions of recent achievements by leading researchers in academic research.

It has been our privilege to convene this conference. Our sincere thanks, to the conference organizing committee; to the Program Chairs for their wise advice and brilliant suggestion on organizing the technical program and to the Program Committee for their through and timely reviewing of the papers. Recognition should go to the Local Organizing Committee members who have all worked extremely hard for the details of important aspects of the conference programs and social activities.

We welcome you to Kuala Lumpur, Malaysia and hope that this year's conference will challenge and inspire you, and result in new knowledge, collaborations, and friendships.

Best regards,

Dr. Hendrati Dwi Mulyaningsih
Conference Chair of 3rd BEMSS 2019

CONFERENCE PROGRAM

Day 01- Wednesday | June 19, 2019
 Venue: Meeting Room 3
 Hotel Capitol – Kuala Lumpur, Malaysia

Time	Duration	Activities
09.00 - 10.00	60'	Welcome Reception and Registration
10.00 - 10.05	5'	Welcoming MC
10.05 - 10.15	10'	Welcome Speech
		Ginanjar Rahmawan Co-Conference Chair 3 rd BEMSS
10.15 - 10.25	10'	Opening Speech
		Dr. Hendrati Dwi Mulyaningsih Chairman of Research Synergy Foundation, Indonesia
10.25 - 10.30	5'	Coffee Break
10.30 - 12.30	120'	Morning Session
12.30 - 13.30	60'	Lunch Break
13.30 - 15.30	120'	Afternoon Session and coffee break
15.30 - 15.40	10'	Closing Speech
		Ginanjar Rahmawan Co-Conference Chair 3 rd BEMSS
15.40 - 15.55	15'	Award distribution, Certificate Ceremony and Group Photo
15.55 - 16.00	5'	Closing MC

Day 01

Room 3

Wednesday, 19 June 2019

Session 1 (10.30 – 11.00)

Session Chair : Nathdanai Pratuangboriboon & Moses Jachi

Track Business Management

Paper ID	Author	Media	Paper Title
BEM19104	Hazem Ali	Oral Presentation	Managerial Dynamic Capabilities and Small and Medium Enterprises's Internationalization: Moderating Role of Environmental Dynamism
BEM19111	Ginanjar Rahmawan	Oral Presentation	Application of Entrepreneurial Marketing in Creative Industries in Surakarta
BEM19107	Rochmad Judianto	Oral Presentation	Designing Enterprise Resource Planning in Creative Industry : Davin Decor Interior Design and Trading Company with Odoo ERP Application
BEM19110	Budi Al Amin	Oral Presentation	Factors that Influence the Accounting Information System (ERP On Line) Technology that is Appropriate to Creative Culinary Industry
BEM19112	Thomson Sitompul	Oral Presentation	The Analysis of the Influence of GDP, FDI, Minimum Wages Against Employment In Indonesia
BEM19115	Benny Hutahayan	Oral Presentation	The Effect of Trade Liberalization on Productivity of Agricultural and Industrial Sectors and Economic Growth and its Implication to Tax Revenue and Community
BEM19109	Elia Ardyan	Oral Presentation	A Critical Role of Explorative Relational Capability to Enhance Business
BEM19119	Andri Nurtantiono	Oral Presentation	Interest for use of E-Money Generation Y (Case Study in Society in Surakarta)

Lunch Break 12.30 – 13.30

Day 01

Room 3

Wednesday, 19 June 2019

Session 2 (13.30 – 14.45)

Session Chair : Ginanjar Rahmawan & Elia Ardyan

Track Business management

Paper ID	Author	Media	Paper Title
BEM19102	Aunchisa Tanthima	Oral Presentation	The Relationship between Types of Auditors and Earning Management: Empirical Evidence from Companies in the Agro-Industry and Food Industry, the Stock Exchange of Thailand
BEM19113	Moses Jachi	Oral Presentation	The Impact of Fiscal Incentives and Work Engagement on Economic Sustainability of Small and Medium Enterprises (SMEs) in Zimbabwe
BEM19116	Pardi	Oral Presentation	Analysis of Tax Avoidance by Micro, Small and Medium Enterprise Taxpayers Factors
BEM19117	Ismunawan	Oral Presentation	Analysis of HR Competence, Accounting Information, Information Technology and Implementation of Sak-Emkm on Quality of MSME Performance
BEM19105	Nur Kholis	Oral Presentation	Implementation of Tax Amnesty and Corporate Governance on Company Value (Firm Value) in Tax Avoidance Practice
BEM19118	Heny Kurnianingsih	Oral Presentation	Stock Split Event: Market Reaction Analysis And Stock Liquidity at The Company on the Indonesia Stock Exchange
BEM19108	Ari Susanti	Oral Presentation	Perception of SME's Activities on the Use of Financial Technology (Fintech) in Surakarta
BEM19106	Nathdanai Pratuangboriboon	Oral Presentation	Guidelines for Organizing Society to Solve the Problem of Children Selling Goods at Night in Mueang District, Chiangmai Province, Thailand

List of Conference Attendees

ID	Attendee	Field of Study	Affiliation
BEM19114	Nevermind Muchongwe	Organizational Behavior	Manicaland State University of Applied Sciences

Day 02

Thursday (June 20, 2019)

City Tour and Shopping Day

All respective guests are free to conduct their own sightseeing and tour. The second day of the event is reserved for this memorable purpose

Track: Business Studies Research

Managerial Dynamic Capabilities and Small and Medium Enterprises's Internationalization: Moderating Role of Environmental Dynamism

Hussien Taleb¹

¹Limkokwing University of Creative Technology

Abstract

Background - *The internationalization phenomenon of Small and Medium Enterprises (SMEs) has attracted the attention of academicians, policy makers and business practitioners. While the internationalization literature presents various approaches to internationalization, there is a lack of consensus on how SMEs' owner/manager reach and compete international market. this paper contribute to this issue through investigating the role of dynamic capabilities possessed by owners/managers namely, sensing, seizing and reconfiguring capabilities in enhancing the internationalization of SMEs.*

Purpose - *To examine the relationship between sensing, seizing and reconfiguring capabilities and SMEs' internationalization as well as the moderating impact of environmental dynamism on this relationship.*

Design/Methodology/Approach - *A quantitative research employed a survey questionnaire to collect data from 300 internationalized SMEs; owners /managers in Malaysia.*

Findings - *Research findings showed a significant impact of sensing, seizing and reconfiguring capabilities on SMEs' internationalization and a significant moderating impact of environmental dynamism on this relationship.*

Research Limitations - *Research focused only on some selected industries and time constraint.*

Originality/Value - *This research developed a new internationalization model based on dynamic capabilities view. The current study proved the applicability of (Teece, 2007) dynamic capability model to explain the internationalization of SMEs. In addition, it was indicated that it is essential to consider the interaction between dynamic capabilities and environmental dynamism when explaining how SMEs' owners/managers reach global market*

Keywords: Dynamic capabilities, Internationalization, Environmental dynamism, SMEs and Malaysia

Implementation of Tax Amnesty and Corporate Governance on Company Value (Firm Value) in Tax Avoidance Practice

Nur Kholis¹

¹ Sekolah Tinggi Ilmu Ekonomi Surakarta

Abstract

Background - Every company has the goal of looking for maximum profits with minimum costs in order to add value to the company. To achieve these objectives the management of the company needs to carry out a policy. The owner of the company will try more optimally by using various ways to maximize the value of the company. This indicates that the company is expected to carry out tax avoidance after the tax amnesty was enacted. Tax avoidance activities carried out by companies can cause conflicts between managers and shareholders because of differences in interests resulting in a decrease in the value of the company.

Purpose - This study objective to determine the effect of Corporate Governance, Tax Amnesty and Tax Avoidance on the Value of the Company and Tax Avoidance to intervene in the relationship between Corporate Governance and Tax Amnesty towards the Corporate Value of LQ45 Companies.

Design/Methodology/Approach - The sample used in this study was 11 LQ45 companies in 2014-2017 using purposive sampling technique. The type of data used is secondary data in the form of annual reports and financial reports and IICG research results. This research uses multiple regression analysis techniques and path analysis (path analysis)

Findings - The results of the analysis show that Corporate Governance and Tax Amnesty have no effect on Company Value while Tax Avoidance has a significant effect on Company Value. Tax Avoidance is able to intervene in the relationship between Corporate Governance and Corporate Value while Tax Avoidance is not able to intervene in the relationship between Tax Amnesty and Corporate Value.

Research Limitations - There are several limitations associated with this study. The first relates to research samples based in Indonesia; developing countries that dynamically undergo major social and economic transitions. Second, companies that are sampled are only LQ45 companies that might be added from other sectors to be able to generalize the population

Originality/Value - This research is the first study on the impact of the implementation of tax amnesty since it was implemented in 2016 and

Corporate Governance in order to increase the value of the company in the context of tax avoidance.

Keywords: Corporate Governance, Tax Amnesty, Tax Avoidance, Firm Value

Factors that Influence the Accounting Information System (ERP On Line) Technology that is Appropriate to Creative Culinary Industry

Budi Al Amin¹, Eko Trianto²

^{1,2} Sekolah Tinggi Ilmu Ekonomi Surakarta

Abstract

Background - Nowadays entrepreneurs especially in the culinary creative industry assume that using the Accounting System Online requires expensive and difficult costs in studying the system application. it is hoped that this research will provide benefits in the form of awareness for catering service entrepreneurs to choose and use information technology that is efficient and produce accurate, relevant information needed by management.

Purpose - The purpose of this research activity is to find out the factors that influence the selection of appropriate accounting information technology (ERP Online) technology to improve the quality of entrepreneur financial statements engaged in the culinary industry in Surakarta by utilizing online accounting information system technology (ERP on line).

Design/Methodology/Approach - This study uses a survey method for 25 respondents of online accounting computer training participants held at the Computer Laboratory of the Surakarta College of Economics

Findings - The results showed the respondents agreed with the factors that influence the benefits of using computer accounting are: 1. System quality factors, 2. Quality of information, 3. User satisfaction and 4. Benefits

Research Limitations - The shortcomings in this study include the selection of respondents who are still uneven and knowledge about accounting that is considered to not meet standards. For future research, it can pay more attention to the selection of respondents and consider accounting knowledge.

Originality/Value - Similar research has been carried out but has different about the specific creative industries especially in Surakarta City.

Keywords: Quality of Online Accounting Information Systems (ERP Online), Information Quality, User Satisfaction, Benefits

Application of Entrepreneurial Marketing in Creative Industries in Surakarta

Ginanjar Rahmawan¹, Aditya Liliyan², Utomo Wibisono³

^{1,2,3} STIE Surakarta

Abstract

Background - *Entrepreneurs (entrepreneurs) with SMEs have differences, where entrepreneurs in running a business, have the desire to develop with a vision far ahead, while small businesses / MSMEs, run a business because the impulse factor fulfills life needs alone. This will affect the practices / ways of marketing to entrepreneurs compared to small businesses / MSMEs.*

Purpose - *The purpose of this study is to find out the practice of applying Entrepreneur Marketing to Creative Industries in Solo*

Design/Methodology/Approach - *The approach used in this research is qualitative research in the Creative Industry business in Surakarta with three speakers from the culinary, fashion and handicraft sub-sectors.*

Findings - *The results obtained are 5 (five) Entrepreneur Marketing practices applied in Creative Industries in Surakarta, namely Social Media Marketing, Endoser Marketing, Community Marketing, Relationship Marketing, One on One Marketing.*

Research Limitations - *This study has limitations on objects that cannot be generalized.*

Originality/Value - *The authenticity of this research is the approach used, namely qualitative and original objects, namely Creative Industries in Surakarta*

Keywords: Entrepreneurial Marketing, Creative Industry

Track: Public Administration
Research

Guidelines for Organizing Society to Solve the Problem of Children Selling Goods at Night in Muaeng District, Chiangmai Province, Thailand

Pongsanit Koonnala¹, Nathdanai Pratuangboriboon²

¹University of Phayao, ²Lampang Rajabhat University

Abstract

Background - *Children must be in the care of their parents, living in a house or a safe place, not going out until 3 a.m. or 4 a.m., also coming out to sell things that the parents are willing to let the children do. In the area of Muaeng district, Chiangmai province is another place where many children are seen selling goods at night and continuously increasing. The researcher therefore is interested in studying the problems and guidelines for organizing the society, solving the problems of children selling goods at night in Mueang district, Chiangmai province to reduce social inequality and enhance the quality of life of children to receive opportunities to live happily.*

Purpose - *The purpose of this research were: 1) to study the level of importance of organizing society towards solving children's problems selling goods at night, 2) to explore the factors that affect the problem solving of children selling goods at night and 3) to consider the way to solve the problem of children selling goods at night in Mueang district, Chiangmai province.*

Design/Methodology/Approach - *Methodology of this quantitative research were: 1) The sample groups used in the research was 400 people by sampling random from the entire population which a simple sampling based on the formula of Yamane, T. (1973) at 95% confidence level. 2) The tools for collecting data is from studying documents related to research to issue questionnaires, finding reliability by try-out with 50 people and analyzed the reliability by calculating Cronbach's alpha coefficient gained the confidence of 0.85. and 3) Data analysis in this research use the software package in the analysis by using descriptive statistics and inferential statistics by multiple regression analysis.*

Findings - *Findings research showed that the problem-solving mechanism has not been able to fully stop the actions of the group of children selling goods at night. Therefore, the guidelines for solving problems in the initial stage, restaurant operators and entertainment venues should not allow children to sell goods at night in the workplace which is like encouraging action and should prescribe laws, regulations that condemn parents or people who bring children to sell products at*

night. Consequently, the relevant departments must also strictly supervise as well.

Research Limitations - *This research were studied in Mueang District, Chiang Mai Province only, may can't referred in the other area.*

Originality/Value - *Solving the problems of children selling goods at night in Mueang district, Chiangmai province to reduce social inequality and enhance the quality of life of children to receive opportunities to live happily.*

Keywords: Social Organization, children selling goods at night, troubleshooting children

**Track: Management Science
Research**

Perception of SME's Activities on the Use of Financial Technology (Fintech) in Surakarta

Ari Susanti¹

¹Sekolah Tinggi Ilmu Ekonomi Surakarta

Abstract

Background - *The presence of financial technology is very helpful for SME's in accessing financial products and facilitating financial transactions using technology at hand. Wherever and whenever the community can make transactions without having to come directly to the financial company or queue up with various procedures such as banking in general. This can increase financial literacy in Indonesia.*

Purpose - *This study aims to determine the public perception of the use of financial technology (Fintech). The informant in this study was the informant, the owner of the Surakarta City SME's who used fintech.*

Design/Methodology/Approach - *The sample of this study amounted to 100 SME's owners in Surakarta. The method that will be used to test and prove the hypothesis. The statistical analysis technique used is multiple regression with the help of the SPSS for Windows Release 21 program.*

Findings - *The results of the study indicate that public perceptions of the use of financial technology (fintech) include attitudes, interests, understanding, motivation, and expectations. Where the attitude of the community towards the use of fintech is influential to provide support to the advancement of financial technology innovation in Indonesia which is very helpful to the community, while the interest of the community to use fintech.*

Research Limitations - *SME's owners have understood the benefits and use of fintech because the use of fintech is more efficient and effective than other financial services so that people are motivated to use fintech.*

Originality/Value - *The managerial implications of SME's hopes for fintech organizers to provide socialization to the community and the ease or practicality of using services, so that people who do not understand technology can use it easily.*

Keywords: Perception, Financial Technology, Use of Fintech and SME's

A Critical Role of Explorative Relational Capability to Enhance Business Performance: Literature Review and Illustrative Research Propositions

Elia Ardyan¹, Sunarto Isstianto², C. Hendratmoko³

^{1,2,3}Sekolah Tinggi Ilmu Ekonomi Surakarta

Abstract

Background - *Establishing relationships is an important part of business success.*

Purpose - *This study builds an explorative relational capability model in order to improve performance*

Design/Methodology/Approach - *This study is based on a literature review. In this study, an explorative relational capability concept was proposed and a proposition was made to build an empirical model.*

Findings - *first, the greater entrepreneurial orientation, the greater explorative relational capability. Second, the greater explorative relational capability, the superior in competition. Third, the greater explorative relational capability, the greater business innovation. Fourth, the greater explorative relational capability, the greater business performance. Five, the greater competitive advantage, the greater business performance. Six, the greater business innovation, the greater business performance.*

Research Limitations - -

Originality/Value - *This study proposed new conceptual and proposed empirical modeling*

Keywords: entrepreneurial orientation, explorative relational capability, competitive advantage, business innovation, business performance

Analysis of HR Competence, Accounting Information, Information Technology and Implementation of Sak-Emkm on Quality of Msme Performance

Ismunawan¹, Siti Aisyah², Eka Dewi S³

^{1,2,3}Sekolah Tinggi Ilmu Ekonomi Surakarta

Abstract

Background - *The development of MSMEs in Indonesia is able to survive and be ready to produce superior products that are able to compete with companies in the current era. Increased innovation, quality and human resource services to increase creativity and benefit of information technology for the advancement of MSMEs. The Indonesian Accounting Association issued the Micro, Small, Medium Financial Accounting Standards (SAK EMKM) in the hope that MSMEs would be more advanced and independent in presenting financial statements as a source of information on their business activities*

Purpose - *Analyzing the Competence of Human Resources, Accounting Information, Information Technology and the Implementation of EMKM IFRSs on the Performance Quality of MSMEs*

Design/Methodology/Approach - *The sample in the study consisted of 54 MSME owners. Data was obtained through resource persons with methods of observation, interviews, and filling out questionnaires. The sampling technique uses random sampling and data analysis techniques using multiple linear regression analysis, t test, f test, analysis of the coefficient of determination (R²).*

Findings - *The results of this study indicate the competency of HR, Accounting Information, Information Technology and the Implementation of SAK-EMKM have a simultaneous effect on the quality of MSME performance*

Research Limitations - *Technological developments have greatly affected all MSME industry sectors, including musical instruments. This research only focuses on the central guitar craftsman.*

Originality/Value - *Similar studies have been carried out but have not yet led especially to guitar craftsmen in the city of Sukoharjo.*

Keywords: HR Competence, Accounting Information, Information Technology, SAK-EMKM, Performance Quality

Track: Banking and Finance Research

Stock Split Event: Market Reaction Analysis And Stock Liquidity at The Company on the Indonesia Stock Exchange

Heny Kurnianingsih¹, Muhamad Jalari², Hestin Muthmainah³

^{1,2,3}Sekolah Tinggi Ilmu Ekonomi Surakarta

Abstract

Background - *This research is a study of events that aims to find empirical evidence for the presence or absence of market reaction and stock liquidity increase over stock split events that occurred in Indonesia Stock Exchange. Market reaction is denoted by abnormal return and stock trading volume activity. While stock liquidity is measured by bid-ask spread*

Purpose - *This research is a study of events that aims to find empirical evidence for the presence or absence of market reaction and stock liquidity increase over stock split events that occurred in Indonesia Stock Exchange*

Design/Methodology/Approach - *The sample of this research is all companies listed in Indonesia Stock Exchange which have conducted stock split policy from 2011 until 2016. The sampling technique used is purposive sampling. From these techniques obtained 35 companies that deserve to be sampled. While the data analysis technique used is wilcoxon signed rank test test*

Findings - *The test result of wilcoxon signed rank test shows that there is market reaction to stock split event which is proxied with abnormal return and stock trading volume activity. The result of this research also shows that there is influence of stock split to stock liquidity which is indicated by the difference and increase of stock liquidity before and after stock split*

Research Limitations - *all companies listed in Indonesia Stock Exchange which have conducted stock split policy from 2011 until 2016*

Originality/Value - *is market reaction to stock split event which is proxied with abnormal return and stock trading volume activity*

Keywords: Market reaction, abnormal return, stock trading volume activity, stock liquidity

Track: Accounting Research

The Relationship between Types of Auditors and Earning Management: Empirical Evidence from Companies in the Agro-Industry and Food Industry, the Stock Exchange of Thailand

Chatinee Wongta¹, Nathdanai Pratuangboriboon², Aunchisa Tanthima³, Phaithun Intakhan⁴, Jeeraporn Pongpanpattana⁵, Natthanan Thityyapromote⁶

^{1,2,3,4,5,6} Lampang Rajabhat University

Abstract

Background - *Earning management behavior is the reason that the financial reports do not reflect economic reality. Auditing may be one of the factors that can reduce such behavior; especially, the type of auditors in the big 4 group. It is resulted in research questions whether the big 4 group auditors can help reduce these factors or not, particularly in countries that are emerging markets such as Thailand.*

Purpose - *The objective of this research was to test the relationship between the types of auditors and the earning management of companies in the agro-industry and food industry groups.*

Design/Methodology/Approach - *The samples in this study are selected from Companies in the Agro-Industry and Food Industry, the Stock Exchange of Thailand in the year 2014 - 2016. The multiple regression are used to test hypotheses.*

Findings - *The research found that the types of large group auditors (Big 4) had a negative correlation with earning management statistical significance. It can be explained that the big 4 group auditors can't reduce the behavior of earning management.*

Research Limitations - *The number of samples used for analyzing data is quite a few; it may have a little effect on the power of test.*

Originality/Value - *The Federation of Accounting Professions and the Securities and Exchange Commission should have rules, relevant regulations to increase the quality of information in financial reports and to be beneficial to the decision of the users of the financial statements.*

Keywords: Big 4, Earning Management, Thai-listed firm

The Impact of Fiscal Incentives and Work Engagement on Economic

Moses Jachi¹, Nevermind Muchongwe²

^{1,2}Manicaland State University of Applied Sciences

Abstract

Background - *The economic sustainability of SMEs world over leverages heavily on factors external to the organization, thus public policy, and internal people factors. People factors as key internal drivers of sustainability, chief among them entrepreneurial intensity summarized as innovation and creativity have been noted as driving forces towards attainment of economic sustenance, which in this study is reckoned holistically as work engagement, do present realistic justification for a strong link between work engagement and economic sustainability of SMEs. On the other hand, as is the case with many other developing nations, Zimbabwe offers fiscal incentives in various forms, including tax exemption periods, preferential rates of taxation, as well as capital allowances as key external forces to aid entrepreneurial efforts and drive business sustainability. However, there is still little evidence on whether these incentives do really promote the economic sustainability of local SMEs. Also very few studies contextualized in Zimbabwean experiences have interrogated the impact of work engagement on economic sustainability of SMEs.*

Purpose - *The study aimed at helping different authorities in determining the magnitude of effort to employ when dealing with issues relating to investment promotion, survival and growth of SMEs through policy frameworks and measures*

Design/Methodology/Approach - *The study adopted fiscal incentives, representing external factors, and work engagement, representing factors internal to the organization, as the independent variables and economic sustainability as assessed through profitability and return on investment (ROI) as the dependent variable. Survey data was obtained from 120 SMEs in Zimbabwe using semi-structured questionnaires. Research participants were purposefully selected to ensure the results are representative of all players within the SMEs sub-sector in Zimbabwe. Correlation and regression analysis were used to test the hypotheses that fiscal incentives and work engagement are positively associated with economic sustainability of SMEs in Zimbabwe.*

Findings - *The study established that there is a significant positive relationship between fiscal incentives and work engagement and economic sustainability of SMEs in Zimbabwe. However, the study reveals that entrepreneurs in Zimbabwe are not aware of the availability of and*

their eligibility for fiscal incentives. As such, the study concluded that economic sustainability of SMEs in Zimbabwe is mainly a result of internal people factors than the influence of fiscal incentives. The study further revealed that most entrepreneurs in Zimbabwe were pushed into business due to negative economic conditions such as unemployment than free-will and business enthusiasm, thereby confronting the Self Determination Theory. The study however further concluded that, if properly administered, fiscal incentives have the capacity to significantly impact economic sustainability of SMEs in Zimbabwe.

Research Limitations - *The fact that the Self Determination model presented limited insight into the psychological mechanisms involved in driving entrepreneurial spirit might be considered a critical limitation.*

Originality/Value - *Study findings will contribute towards the development of a more satisfactory descriptive theory for a broader approach to economic sustainability of SMEs in Zimbabwe.*

Keywords: Economic sustainability, Work engagement, Fiscal incentives

Analysis of Tax Avoidance by Micro, Small and Medium Enterprise Taxpayers Factors

Pardi¹, Rosita², Arif Farida³, Mareta Fatmayani⁴

^{1,2,3,4} STIE Surakarta

Abstract

Background - *The final policy of 0.5% Income Tax tariff decrease is a fiscal incentive for a certain period (Sunset Clause), therefore it will interest Micro, Small, and Medium-Sized Enterprise. Tax controlling, tax checking, tax charge, tax incentive and tax trust (self-assessment system) are some obstacles and chances for the taxpayer to do tax avoidance with new entity following the end of long-term incentive.*

Purpose - *This research aims to analyze tax controlling, tax checking, tax charge, tax incentive and tax trust on tax avoidance by Micro, Small, and Medium-Sized Enterprise taxpayers.*

Design/Methodology/Approach - *This research used accidental sampling technique with 94 samples of Micro, Small, and Medium-Sized Enterprise taxpayers in Surakarta, Indonesia. The analysis using primary data was collected by using questionnaire method. The analysis data technique used multiple linear regression. The hypothesis was tested using t-test (partial), F-test (simultaneous), and the coefficient of determination test (R²).*

Findings - *The result of this research shows that, partially, tax controlling, tax checking, tax charge, tax trust and tax knowledge has an effect on tax avoidance by Micro, Small, and Medium-Sized Enterprise taxpayer, while administration understanding and tax incentive policy has no effect on tax avoidance by Micro, Small, and Medium-Sized Enterprise taxpayer. Simultaneously, tax controlling, tax checking, tax charge, administration understanding, tax incentive, tax trust, and tax knowledge has an effect on tax avoidance by Micro, Small, and Medium-Sized Enterprise taxpayer.*

Research Limitations - *The limitation of this research is that the taxpayers as the samples are not differentiated between personal taxpayers, partnership taxpayers, and corporation taxpayers.*

Originality/Value - *The value of this research, this variable of government tax incentives and the tax avoidance attitude of the Micro, Small, and Medium-Sized Enterprise.*

Keywords: Tax Avoidance, Taxpayer, Micro, Small, and Medium-Sized Enterprise

Track: Economic Research

The Analysis of the Influence of GDP, FDI, Minimum Wages Against Employment in Indonesia

Thomson Sitompul¹

¹ Universitas Indonesia

Abstract

Background - This study aims to 1) analyze the conditions of employment in Indonesia, and 2) to analyze the influence of GDP, FDI, and Minimum Wages against employment in Indonesia with multiple linear regression method. Result of this study indicate the GDP and Minimum wage takes a significant and positively related to employment. The FDI didn't influence the employment

Purpose - This study is aimed to analyze the impact of GDP, FDI, and Minimum Wages on labor absorption in Indonesia .

Design/Methodology/Approach - The type of data used in this study is a secondary series of time series data. Time series data used in this study for twenty-five years (1990-2015) Data sourced from the Indonesian Central Bureau of Statistics and the Manpower and Transmigration Office. Multiple linear regression models used to see the effect of GDP, FDI and Minimum Wages on employment in Indonesia

Findings - The results of the study show that GDP, FDI and Minimum Wages affect employment in Indonesia. Partially, each of the GDP and Minimum Wages has a positive and significant influence on employment. The positive influence of GDP on employment is in accordance with the theory which states that GDP has a positive influence on employment. Meanwhile, the positive influence of Minimum Wages is contrary to the theory of labor demand.

Research Limitations - The data used is not providing the recent data due to the limited of data

Originality/Value - Sectoral Economy did not use as a variable to capture the best effect to the total employment in Indonesia. Time series data is shown to produce the best analyzing

Keywords: Employment, GDP, FDI, Minimum Wage

The Effect of Trade Liberalization on Productivity of Agricultural and Industrial Sectors and Economic Growth and its Implication to Tax Revenue and Community

Benny Hutahayan¹

¹Brawijaya University

Abstract

Background - *in recent years, trade liberalization has been promoted as one of the best mechanisms for reducing poverty in the developing world (Weisbrot et. al. (2002)). This argument has been adopted by the World Bank and other international financial institutions, mostly non-governmental organizations, and a number of economic and development experts. On the other hand, there are certain theoretical reasons that trade liberalization can reduce poverty. The standard trade model shows that trade liberalization will ultimately reduce the poverty rate in developing countries, but the predicted poverty reduction is covered by the impact of economic growth that is smaller in developing countries than the impact of economic growth in a country that has succeeded in its industrial sector, such as China. Of course, the decline in poverty rates is desirable, but because small countries tend to be pressured by the big powers to make leeway in exchange for trade liberalization, it becomes important for them to make trade negotiations with a clear estimate of how potentially useful the benefits which will be obtained by each party who trades (gains from trade).*

Purpose - *to examine more deeply the influence of trade liberalization on productivity of agricultural sector, productivity of industrial sector, economic growth, state revenues, and people's welfare.*

Design/Methodology/Approach - *This is an explanatory research by considering the causality relationship between variables. The data used in this study was secondary data from various data sources, e.g. the International Financial Statistics from IMF, World Bank, Bank Indonesia's report, Central Bureau of Statistics and other sources. All data used in this research was annual data of each research variable from 1986 to 2016. The data analysis method was Structural Equation Modeling (SEM) using software AMOS.*

Findings - *Trade liberalization was be able to reduce productivity of industrial sector, economic growth, state tax revenues, and people's welfare (income distribution). On the other hand, this research found that trade liberalization did not affect the productivity of the agricultural sector. In addition, this study found that the productivity of the agricultural sector, the productivity of industrial sector and the high*

economic growth were able to stimulate the high state tax revenues, as well as increase the welfare of society.

Research Limitations - *The are six research variabeles, as follows, Trade Liberalization, Productivity of Agricultural and Industrial Sectors and Economic Growth and its Implication to Tax Revenue and Community. The data analysis method was Structural Equation Modeling (SEM).*

Originality/Value - *The originality of this study is in the addition of independent variables, trade liberalization in the correlation with tax revenue and community welfare through some mediating variables applied to the economic condition in Indonesia. No previous study has comprehensively studied The mediation effect of Productivity of Agricultural and Industrial Sectors and Economic Growth in relationship between The Effect of Trade Liberalization on to Tax Revenue and Community Welfare.*

Keywords: *producticity of agricultural, productivity of industrial, economic growth, tax revenue, community welfare*

Track: e-Business Research

Designing Enterprise Resource Planning in Creative Industry: Davin Decor Interior Design and Trading Company with Odoo ERP Application

Rochmad Judianto¹

¹ Sekolah Tinggi Ilmu Ekonomi Surakarta

Abstract

Background - *Davin Decor's business process has many transactions including sales, purchase, and management of inventory, and payrolls that still use the legacy or manual registration process. Media storage or filing of financial data is still traditional by using books and notes, which results in various problems such as fundamental errors in recording and posting of transactions that occur such as sales to customers, purchases from suppliers, then problems with inventory management, problems with accuracy and speed of transaction processing and what is also important is the unavailability of adequate financial information.*

Purpose - *This study aims to determine the benefits of implementing Enterprise Resource Planning at Davin Decor in Surakarta, which has problems in managing transactions both sales, purchases and inventories.*

Design/Methodology/Approach - *The research conducted was about ERP modeling at Davin Decor trading company, namely in the sales, purchase and inventory section with the Odoo application. The ongoing business process in each department is modeled in Business Process Model Notation (BPMN) and then implemented in the Odoo application which will produce an integrated system.*

Findings - *This study shows that Odoo application can solve the problems that occur in Davin Decor.*

Research Limitations - *Creative industries include 16 business sectors, such as culinary, fashion, games, interior design, craft arts, music arts, performing arts, and so on. This research is still limited to researching only one sector, namely interior design.*

Originality/Value - *Similar research has been carried out but has not led to specific creative industries especially in Surakarta City.*

Keywords: BPMN, Enterprise Resource Planning (ERP), Odoo application, use case diagram

Interest for use of E-Money Generation Y (Case Study in Society in Surakarta)

Andri Nurtantiono¹, Budi Istiyanto², R. Taufiq Nur M³

^{1,2,3}Sekolah Tinggi Ilmu Ekonomi Surakarta

Abstract

Background - *Generation Y characteristics vary by region and socio-economic conditions, this generation is generally characterized by increased use and familiarity with communication, media, and digital technology. This generation also tends to promote trendy social images, so they will always try to keep up with the latest technological developments.*

Purpose - *The purpose of this study is to analyze the factors that influence the generation of Y in the interest in using e-money by using the Technology Acceptance Model (TAM).*

Design/Methodology/Approach - *The analysis used in the study (1) Test Data Instruments consisting of Validity and Reliability Tests (2) Classical Assumption Test consisting of Normality, Multicollinearity, Heteroscedacity, and Autocorrelation (3) Multiple Regression Analysis (4) Hypothesis Test consists of t test and the Determination Coefficient.*

Findings - *The results of this study indicate that: (1) Perception of Ease has a positive and significant effect on Interest in Use (2) Perception of Benefits has a positive and significant effect on Interest in Use.*

Research Limitations - *The research was only conducted in one city, Surakarta*

Originality/Value - *The object is specific to generation Y*

Keywords: Y Generation, E-money, Interest in Use, Technology Acceptance Model

FUTURE EVENTS

June 20, 2019

International conference on Entrepreneurship, Small Business, and Management Innovation (IESMI)

iesmiconference.com

July 10, 2019

Semarang International Conference Series (SICS) : Business and Economic Series (BES)

<http://www.besconference.com>

July 10, 2019

Semarang International Conference Series (SICS) : Social Sciences Series (SOSCIS)

<http://www.soscisconference.com>

July 10, 2019

Semarang International Conference Series (SICS) : Science Series (SCIS)

<http://www.scisconference.com>

July 11 - 12, 2019

International conference on Agrotechnology, Business and Socio-Economic (ICABSE)

www.icabseconference.com

July 17 – 18, 2019

International Conference on IT, Communication and Technology for Better Life (ICT4BL)

<http://ict4bl.researchsynergy.org>

July 25 – 26, 2019

International conference on Islamic Education Studies and Social Science (ICISS)

<http://icissconference.com>

August 5 – 6, 2019

International conference on Public Administration, Policy, and Government (ICPAG)

<http://icpagconference.com>

August 15 – 16, 2019

International conference on Law, Human Rights, and Cultural Studies (ICLAHS)

<http://iclahs.com>



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