International Research Journal of Management, IT & Social Sciences (IRJMIS)

The influence of education level and individual character in deciding financial report establishment

Study on SMEs business incubator LPPM Udayana University

I Gusti Agung Dwitariani
Faculty of Economic and Business, Department of Accounting, Udayana University, Indonesia

Ni Ketut Rasmini
Faculty of Economic and Business, Department of Accounting, Udayana University, Indonesia

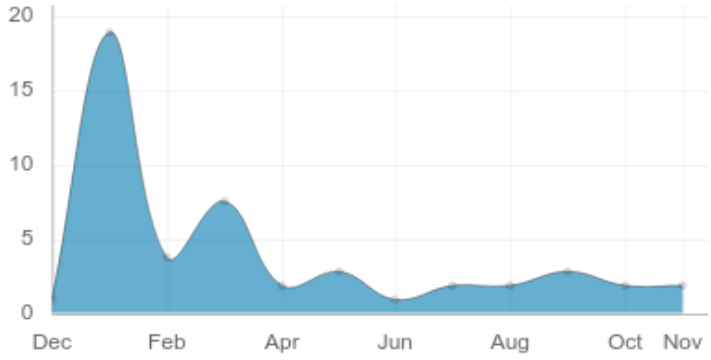
DOI: https://doi.org/10.21744/irjmis.v6n1.593

Keywords: decision-making preparation, education level, financial statements, individual characteristics, planned behavior

Abstract

A financial report is a tool that is used to describe the condition of the business, making decision accurate and timely and accountability in the management. decision preparation the financial statements of a company is influenced by the individual characteristics and education level. This study aimed to analyze the effect of educational level and individual characteristics on decision-making preparation of financial statements. The theory used in this research is the *Theory of Planned Behavior (TPB)* developed by Ajzen (1985). The population of this study is all young entrepreneurs who are tenant Patronage Business Incubator LPPM Udayana University in 2017, some 83 tenants. Data were collected using questionnaires through Google Forms and the number of questionnaires returned and can be used as many as 58. The data were analyzed using multiple linear regression model. The results showed that the level of education and the individual characteristics of a positive influence in the decision-making the preparation of financial statements.

Downloads



References

Ajzen, I. (1985). From intentions to actions: A theory of planned behavior. In Action control (pp. 11-39). Springer, Berlin, Heidelberg. https://doi.org/10.1007/978-3-642-69746-3_2

Anugraheni, I. (2017). Analisa Faktor-Faktor yang Mempengaruhi Proses Belajar Guru-Guru Sekolah Dasar. Kelola: Jurnal Manajemen Pendidikan, 4(2), 205-212.

Arestanti, M. A., Herawati, N., & Rahmawati, E. (2016). Faktor-Faktor Internal Individual dalam Pembuatan Keputusan Etis: Studi pada Konsultan Pajak di Kota Surabaya. Jurnal Akuntansi dan Investasi, 17(2), 104-117. http://dx.doi.org/10.18196/1201

Devi, P. E. S., Herawati, N. T., Ak, S. E., Sulindawati, N. L. G. E., & Ak, S. E. (2018). Pengaruh Tingkat Pendidikan, Pemahaman Akuntansi dan Ukuran Usaha Terhadap Kualitas Laporan Keuangan Pada UMKM (Studi Empiris pada UMKM di Kecamatan Buleleng). JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi) Undiksha, 8(2). https://ejournal.undiksha.ac.id/index.php/S1ak/article/view/14566/8896

Ernawati, S., Asyikin, J., & Sari, O. (2016). Penerapan Sistem Akuntansi Dasar pada Usaha Kecil Menengah di kota Banjarmasin. Wiga: Jurnal Penelitian Ilmu Ekonomi, 6(2), 81-91. https://doi.org/10.30741/wiga.v6i2.104

Fanani, Z., Mudyanti, R., & Didied, P. A. (2008). Analisis Karakteristik Pejabat Penatausahaan Keuangan terhadap Etika Penyusunan Laporan Keuangan Satuan Kerja Perangkat Daerah (SKPD). In The 2 nd Accounting Conference (Vol. 1). http://mak.trunojoyo.ac.id/wp-content/uploads/2014/04/PSAC.pdf

Hasibuan, M. S. P. (2009). Manajemen Pengembangan Sumber Daya Manusia. Pustaka Pelajar. Yogyakarta.

Kasmir, S. P., Thomas, A. P., & Scalisi, J. F. (2016). U.S. Patent No. 9,237,318. Washington, DC: U.S. Patent and Trademark Office. https://patents.google.com/patent/US9237318B2/en

Kee-Luen, W., Thiam-Yong, K., & Seng-Fook, O. (2013, February). Strategic planning and business performance: A study of SMEs in Malaysia. In Proceedings of 3rd Asia-Pacific Business Research Conference, Kuala Lumpur, Malaysia (Vol. 25). https://wbiworldconpro.com/uploads/malaysia-conference-2013/management/450-Wong.pdf

Kurniawati, E., Rohman, A., & Triyana, K. (2014). Analysis of lard in meatball broth using Fourier transform infrared spectroscopy and chemometrics. Meat Science, 96(1), 94-98. https://doi.org/10.1016/j.meatsci.2013.07.003

Libby, P. (1995). Molecular bases of the acute coronary syndromes. Circulation, 91(11), 2844-2850. https://www.ahajournals.org/doi/full/10.1161/circ.91.11.2844

Masri, S., & Effendi, S. (1989). Metode Penelitian Survei. LP3Es, Jakarta.

Muzahid, M. (2014). Pengaruh Tingkat Pendidikan, Kualitas Pelatihan, dan Lama Pengalaman Kerja Pegawai Terhadap Kualitas Laporan Keuangan Satuan Kerja Perangkat Daerah (SKPD) di Kabupaten Aceh Utara. Jurnal Akuntansi, 2(2), 179-196. http://jurnal.pnl.ac.id/wp-content/plugins/Flutter/files_flutter/1401957461JurnalRiau_1.pdf

Nazier, D. (2009, July). Kesiapan SDM Pemerintah Menuju Tata Kelola Keuangan Negara yang Akuntabel dan Transparan. In Seminar Nasional.

Nugrahaningsih, P. (2005). Analisis perbedaan perilaku etis auditor di KAP dalam etika profesi (Studi terhadap peran faktor-faktor individual: locus of control, lama pengalaman kerja, gender, dan equity sensitivity). https://digilib.uns.ac.id/

Puji Astuti, Y. (2015). Pengaruh Karakteristik Perusahaan Terhadap Kualitas Laporan Keuangan (Study Empiris pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode 2010-2013) (Doctoral dissertation, Universitas Muhammadiyah Surakarta). http://eprints.ums.ac.id/37343/

Rahmawaty, R. (2017). Pengaruh Tingkat Pendidikan, Kualitas Pelatihan, dan Pengalaman Kerja Aparatur Desa terhadap Pemahaman Laporan Keuangan Desa (Studi pada Kecamatan Banda Raya Kota Banda Aceh). Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi Unsyiah, 2(3), 111-120. http://www.jim.unsyiah.ac.id/EKA/article/view/4859

Risalawati, F., & Sudarno, S. (2014). Pemanfaatan Laporan Posisi Keuangan Oleh Pengguna Dalam Pengambilan Keputusan (Studi Empiris pada Instansi Pemerintahan di Jawa Tengah) (Doctoral dissertation, Fakultas Ekonomika dan Bisnis). http://eprints.undip.ac.id/42841/1/RISALAWATI.pdf

Robbins, S. P. Dan Timothy A. Judge. 2008. Perilaku Organisasi.

Shujiro, U. (2000). Policy Recommendation for SME Promotion in the Republic of Indonesia. Jakarta: JICA (Japan International Coorperation Agency).

Teak-Hoon, L. E. E., Kim, N. S., Kim, P. W., & Chul-Yong, J. A. N. G. (2009). U.S. Patent Application No. 12/253,734. https://patents.google.com/patent/US20090134528A1/en

PDF

Published
2019-01-30

How to Cite

Dwitariani, I. G. A., & Rasmini, N. K. (2019). The influence of education level and individual character in deciding financial report establishment: Study on SMEs business incubator LPPM Udayana University. *International Research Journal of Management, IT and Social Sciences*, *6*(1), 95-102. https://doi.org/10.21744/irjmis.v6n1.593

More Citation Formats

Issue
Vol. 6 No. 1: January 2019

Section
Research Articles

License

Articles published in the International Research Journal of Management, IT and Social sciences (**IRJMIS**) are available under Creative Commons Attribution Non-Commercial No Derivatives Licence (CC BY-NC-ND 4.0). Authors retain copyright in their work and grant **IRJMIS** right of first publication under CC BY-NC-ND 4.0. Users have the right to read, download, copy, distribute, print, search, or link to the full texts of articles in this journal, and to use them for any other lawful purpose.

Articles published in **IRJMIS** can be copied, communicated and shared in their published form for non-commercial purposes provided full attribution is given to the author and the journal. Authors are able to enter into separate, additional contractual arrangements for the non-exclusive distribution of the journal's published version of the work (*e.g., post it to an institutional repository or publish it in a book*), with an acknowledgment of its initial publication in this journal.

This copyright notice applies to articles published in **IRJMIS** volumes 7 onwards. Please read about the copyright notices for previous volumes under Journal History.

Most read articles by the same author(s)

- Ida Ayu Kayika Apsari, Ni Ketut Rasmini, The pecking order theory testing on company life cycle , International research journal of management, IT and social sciences: Vol. 6 No. 5: September 2019
- I Made Endra Lesmana Putra, Ni Ketut Rasmini, Style of leadership and organizational culture as moderator of influence of competence and internal control system towards report quality , International research journal of management, IT and social sciences: Vol. 5 No. 3: May 2018
- Damaris Ussy Tokilov, I Dewa Gede Dharma Suputra, Ni Ketut Rasmini, Effect of budgetary participation in managerial performance with environmental uncertainty, leadership style, and budgetary adequacy as a moderating variable , International research journal of management, IT and social sciences: Vol. 6 No. 6: November 2019

IRJMIS

International Research Journal of Management, IT and Social sciences presents a peer-reviewed survey and original research articles.

All Archives
Accepted Articles

Current Issue

MEMBERSHIP

Copyright © 2020 International Research Journal of Management, IT and Social sciences

This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License.

International Research Journal of Management, IT & Social Sciences
Available online at https://sloap.org/journals/index.php/irjmis/
Vol. 6 No. 1, January 2019, pages: 95~102
ISSN: 2395-7492
https://doi.org/10.21744/irjmis.v6n1.593

The Influence of Education Level and Individual Character in Deciding Financial Report Establishment
(Study on SMEs Business Incubator LPPM Udayana University)

I Gusti Agung Dwitariani [a]
Ni Ketut Rasmini [b]

Article history:

Received: 27 July 2018
Accepted: 30 November 2018
Published: 30 January 2019

Keywords:

decision making preparation;
education level;
financial statements;
individual characteristics;
planned behavior;

Abstract

A financial report is a tool that is used to describe the condition of the business, making decision accurate and timely and accountability in the management. decision preparation the financial statements of a company is influenced by the individual characteristics and education level. This study aimed to analyze the effect of educational level and individual characteristics on decision-making preparation of financial statements. The theory used in this research is the *Theory of Planned Behavior (TPB)* developed by Ajzen (1985). The population of this study is all young entrepreneurs who are tenant Patronage Business Incubator LPPM Udayana University in 2017, some 83 tenants. Data were collected using questionnaires through Google Forms and the number of questionnaires returned and can be used as many as 58. The data were analyzed using multiple linear regression model. The results showed that the level of education and the individual characteristics of a positive influence in the decision-making the preparation of financial statements.

2395-7492© Copyright 2019. The Author.
This is an open-access article under the CC BY-SA license (https://creativecommons.org/licenses/by-sa/4.0/)
All rights reserved.

Author correspondence:
I Gusti Agung Dwitariani,
Master Program, Faculty of Economic and Bussiness, Department of Accounting
Udayana University, Denpasar, Bali, Indonesia.
Email address: dwi_tariani@yahoo.com

1. Introduction

The business world in the era of globalization is becoming a challenge for businesses to improve the performance and quality of the business in order to survive in the competition as it is today. Change such as technology, economics and the condition of the market situation increasingly visible in almost every industrial sector. False one way in order to capture market share is to retain existing customers. Changing economic and social conditions that have transformed the way consumer attitudes and behavior. The election will the product has become the highest position in the market,

[a] Faculty of Economic and Business, Department of Accounting, Udayana University, Indonesia
[b] Faculty of Economic and Business, Department of Accounting, Udayana University, Indonesia

consumers are no longer simply expect quality the height of the product itself, but also the benefits they will receive from the product.

SMEs are a small business unit that is able to act and function as a provider alternative productive business activities and can also increase the national economic growth, in labor absorption things work, so as to reduce the problem of unemployment and poverty is a national problem that can not be addressed by either the local government or government center. According to Shujiro (2000), about the role of SMEs is seen from his position as a major player in the various sectors of economic activity, the largest provider of employment, an important player in the development of local economic activities and community empowerment. Therefore SMEs should be in noticed by the government to people who have not moved to open businesses become interested independent entrepreneurship. Kee-Luen *et al.*, (2013), reveals that SMEs should focus on business performance improvement through strategic planning including the planning and financial management, it is expected they will be able to compete, achieve business success and achieve optimal profitability.

One of the strategies undertaken by the government is to improve SMEs by means government efforts toward smart cities (smart city) as a step to encourage people's economy in order to improve the welfare of the community. Concept smart city is a concept that promotes a smart city order that can play a role in facilitating the public to get information quick and precise. Application of the concept smart city required for managing resources efficiently. Effort consummate smart city should not only related to physical development, but also socialization mental (such as poverty, education, unemployment, and so on).

Udayana University is the only public university in Bali who participated participate, in addition to participating in the event Udayana Jazz Festival (UJF), Udayana University also have an agency that handles about SMEs, the agency is the Business Incubator Institutions Research and Community Services LPPM Udayana University. Business Incubator LPPM Udayana University is a forum for young entrepreneurs in the province of Bali, especially students Udayana University to develop a business idea they have. The object of this research Business Incubator is assisted tenants LPPM Udayana University in 2017, where the number of SMEs fostered by Udayana University Business Incubator as many as 83 businesses, which consists of 24 business services sector, 19 culinary sector enterprises, 6 business fashion sector, 7 trade sector enterprises, 20 enterprises creative industries sector, 5 business trade, 1 and 1 plantation sector business sector undertakings convection. The high support Bali Provincial Government can be seen from its regular entrepreneurship training for young entrepreneurs beginners as well as aid in the form of grants provided by the central government and administered by the Ministry of Youth and Sports of Bali Province. In addition, the student entrepreneurship award for business Best National Level, which is given Institutional Directorate of Higher Education in 2010 also is evidence of achievement of the Business Incubator.

Based on the phenomena of Nusa Bali.com snack industry in recent decades are growing rapidly, such as fried bananas, *klepet, jaja gina, sengait, kaliadrem*, and other businesses. The resulting product is marketed via wholesalers to the outside of the district, one of them, Denpasar. The irony is after the goods were sent outside the district by collectors, snacks in of SMEs Dawan Klod distribute it claimed unscrupulous traders. By the way, given a particular label or products from elsewhere. Seeing this phenomenon, a dozen students who hold a work Lecture Real Learning Community Service (KKN PPM) from the University of Udayana in Desa Dawan Klod trying to encourage SMEs to rise in terms of marketing and financial reports to enable them to know in more detail the advantages obtained from the impact of such marketing.

Additionally, phenomenon that occurs many SMEs today is only using private capital in running their businesses. Although today has many programs undertaken by the government in the areas of the capital, such as the People's Business Credit (KUR), which can be obtained at several banks such as BPD, and Bank BNI. Reason SMEs do not use the funds or capital from the grantor namely credit business scale is still small and the long effort of young (1-3 years). Another reason is that the complexity of the requirements given by the creditor.

One of the conditions that the financial statements of SMEs that reflect the state of the company indeed. However, many SMEs do not provide or prepare financial statements in efforts. The reason that SMEs are too focused on the production and operational processes, so that do not pay attention to records or bookkeeping (Men & Kurniawati, 2012). This is supported by the results of research that has been done by Teak (2009), stated that the majority of SMEs simply do records on the number of funds received and expenses incurred, and the number of entry and exit of goods debt or receivables owned. Such records can not help them in getting access to banks.

The financial report is a tool that is used to describe the condition of the business, decision makers accurate and timely and accountability for the management and is fundamentally important is understanding the meaning of gain or loss derived from the results of his efforts. According to Kashmir (2016), the financial report is a report that shows the company's financial condition current or within a certain period. Therefore, the financial statements are very useful for

assessing the performance of the business and can help in dealing with problems in running the business, especially SMEs. In addition, due to the ability to prepare financial statements that are owned SMEs because of the lack of accounting knowledge, training, education level of respondents.

The existence of such phenomena as SMEs are often concurrently running tasks in his attempt, the perpetrator SMEs less attention to financial management because the impact is not clearly visible or no a direct effect on its survival. So as to achieve business performance successfully one way is to do business record keeping, financial management, credit management either the payment or collection of financial statements (Ministry of Education, 2010). However, problems what happens is a lot of SMEs only registering the amount of money received or issued, a number of items purchased or sold, and the number of receivables or debt does not follow the guidelines in the actual preparation of financial statements.

Human resources are the key to improving success in order to achieve goals desired through high valuation and can be seen from the ability, knowledge, skills, behaviors, and personality possessed by the staff accountant. To be able to create a quality of financial statements necessary competent human resources in the field of accounting. So it will be difficult measuring and proving their business performance is good or not. The individual characteristics also become one of the indicators of quality human resources is level of education. Qualified human resources with higher education will be able to assist employees in completing the task, especially in the preparation of budgets and financial reports. This is supported by the results of research that has been done by (Arestanti, 2016), basically individual characteristics in the preparation of financial statements is one determinant on ethical behavior. The individual characteristics are internal factors that drive behavior and proved significant as factors to predict a person's ethical behavior.

Robbins (2006), explains that the individual characteristics consist of a number of aspects or dimensions certain of a criterion that can be attributed to and distinguish each individual. There are four individual characteristics in carrying out the work is biographical characteristics, the characteristics of ability, personality characteristics, and characteristics of the study. The individual characteristics are most easily observed is biographical characteristics because it is a real situation behind the physical characteristics of each individual. Scope biographical characteristics include several characteristics such as age, sex, marital status, work experience. The preparation of financial statements they tend to not perform accounting records of each transaction the business going.

As a result, they were not able to determine and analyze the performance of its business so it is not able to make the right business decisions. This made them difficult they get funding if they want to enlarge the scale of its business. Conflict in compiling financial statements arising from the content of the information disclosed in the financial statements Fanani *et al.*, (2008). All the financial information required by the report is expected to be obtained from reports finance. The level of education in accordance with Act No. 20 2003 is the stage of education determined based on the level of development of learners, objectives to be achieved and abilities developed. Institutions of formal education consist of education such as elementary, junior high, high school and university high. The education level of the owner of Micro Small Medium Enterprises (SMEs) to be one factor the cause of weak management and development of small and medium businesses were conducted in using accounting information. SMEs still think that accounting is difficult to do and it will become a burden, so in their minds today is how the work is done smoothly and how to benefit profusely from a business carried on regardless of how large the benefits derived from good use of accounting information in the management (Ernawati *et al.*, 2016).

The first factor that affects the quality of financial reporting is education. So the higher the level of education in the field of accounting easier to prepare financial statements. The accounting process in the making financial statements based on the principles and standards of preparation of financial statements that are applied the Financial Accounting Standards Entities Without Public Accountability (SAK-ETAP). Accounting standards Finance for Entities Without Public Accountability (SAK ETAP) is meant to be used entities without public accountability, such as SMEs. Prospects SAK ETAP implementation on SMEs require an understanding of SAK ETAP.

2. Materials and Methods

2.1 Materials

a) Theory of Planned Behavior

The theory of planned behavior (TPB) is individual interest to do certain behavior in terms of the adoption of the information system. The limitation of the theory uttered by Jogiyanto (2007), is only to explain the behavior

voluntarily, instead of behavior done compulsively. In this theory, behavioral willing (behavioral intention) consists of attitude, subjective norm and perceived behavioral control.

b) Education Level

Education is a learning the process to gather and raise knowledge. Education is gotten through learning structurally an is a long time process. Education is raising ability to consider and choose information and form related information needed is gathering decision Libby (1995). Education can increase one's quality education persons will have more logic when they think, act and understand the task and responsibility.

c) Individual Characteristics

Individual characteristic is one's behavior gotten since he/ she was born it can be changed be environment or education Hasibuan (2009). It is similar to (Robbins & Judge 2008), they suggest that there be individual characteristic, namely: age, sex, marriage status, amount of responsibility and work length.

d) Decision Making

Decision making was done through four sequential stages as follow :

1) The recogniting problem in marketing and chance,
2) Searching alternative action, the each sequence,
3) Choosing alternative / option or satisfying alternation,

e) Establishing Financial Report

The ability of financial report establishment is related to intellectual ability intellectual ability is the ability needed to do any mental activity such as thinking, considering and solving problem Robbins (2008). Intellectual ability processed shows the level awareness they fire the solution during the work will be easier to develop self-ability good agency can establish the report well then it can raise job performance.

2.2 Methods

This research was conducted at Udayana University Business Incubator. Business Incubator is used because the study site Business Incubator is a place or a place for young kids Bali SMEs develop business ideas into a business opportunity. In addition to the Business Incubator also be solutions to reduce the youth unemployment rate in Indonesia one of them to increase the number of entrepreneurs. The population used in this study were all young entrepreneurs who are Tenant Patronage Business Incubator LPPM Udayana University in 2017. The sample is part of the population so that with a portion of the population is expected to examine the results obtained will be able to describe the nature of the relevant population (Singarimbun, 2006). Methods of sampling conducted in this study are nonprobability sampling namely purposive sampling. Under this method, then sampling in this study were young entrepreneurs who joined the Business Incubator Udayana University. Referring to the criteria Kemenpora No. 17 of 2017 sampling criteria in this study is SMEs that already have a record of the management of its business and has been carrying on business at least 2 years so that more can be researched using the information in business. Analysis of the data used in this research is multiple linear regression analysis.

3. Results and Discussions

The minimum requirement to satisfy the validity of a questionnaire is if the correlation between the grains with a total score the positive and the value is greater than 0.30. The test results indicate that the validity of all variables has a correlation coefficient with the total score of the entire item statement greater than 0.30. The test results are shown in Table 1.

Table 1
The result of Validity Test

Variable	Indicator	Corelation coeffisient	Information
Decision making in the financial report (Y)	Y_1	0,509	Valid
	Y_2	0,802	Valid
	Y_3	0,621	Valid
	Y_4	0,434	Valid
Level of education (X_1)	$X_{1.1}$	0,901	Valid
	$X_{1.2}$	0,916	Valid
	$X_{1.3}$	0,423	Valid
	$X_{1.4}$	0,942	Valid
	$X_{1.5}$	0,896	Valid
Individual characteristics (X_2)	$X_{2.1}$	0,609	Valid
	$X_{2.2}$	0,815	Valid
	$X_{2.3}$	0,836	Valid
	$X_{2.4}$	0,465	Valid
	$X_{2.5}$	0,678	Valid
	$X_{2.6}$	0,609	Valid

Source: the result of sports SPSS, 2018

Reliability test is degrees the accuracy of the targeting, carefulness or the accuracy and development which has indicated through the absence of the measurement of, her exam can be would be conducted internally, testing by analyzing the consistency of items of which there are. The absence of it can be said that it is reliable if the instrument has had a value of alpha Cronbach more than 0,60. The test results are shown in Table 2.

Table 2.
Alpha Cronbach

Variable	*Cronbach's Alpha*	Description
Decision making in the financial report (Y)	0,699	Reliable
Level of education (X_1)	0,805	Reliabel
Individual characteristics (X 2)	0,800	Reliabel

Source: the result of sports SPSS, 2018

Effect of education level (X 1) decision making financial statements. Results of analysis influence on the decision-making level of educational preparation of financial statements obtained sig. t of 0.000 to 0.621 beta coefficient. Sig. t 0.000 <0.05 indicates that H 0 rejected and H 1 is accepted. This result means that the education level of positive influence on the uptake decision preparation of financial statements so that the first hypothesis in this study received

The results showed that the level of education a positive influence on the uptake decision preparation of financial statements. The results of this study are supported by Theory of Planned Behavior, that explains the individual's beliefs will be the result of a behavior (outcome beliefs) and evaluation of the results of these beliefs form the attitudinal variables (attitude). This theory explains that outcome beliefs namely education will affect a person's behavior to decide the preparation of reports finance. This is because education can influence attitudes and behavior. Motivation youth entrepreneurship in decision making can be improved preparation of financial statements in the presence of knowledge on the level of education obtained. The level of education adopted and owned by somebody is basically an effort to obtain a good performance (Nazier, 2009).

Education will make a person become more rational in thinking and acting as well as understand duties and responsibilities assigned to them so that they can perform their duties and responsibilities, included in the decision making of the financial statements. Devi *et al.*, (2017), explains that education is an important factor in completed a job. It is mindless higher a person's education, both formal and non-formal, it can be better in the adjustment on new rules and had knowledge, expertise, and ability in preparing the financial statements.

Qualification and compliance department will greatly influence the decision of the preparation of reports finance. When someone of higher education or economic accounting graduates tend to be more understood in the preparation of financial statements. But given the importance of the use of financial statements for business continuity, the employer who has the educational background of the non-economic or accounting, such as law school graduate, engineering, agriculture, and other even will decide to prepare financial statements using the services of auditors. This is because the functioning of financial statements in providing information that can be used to make business decisions, such as tools for determining the performance and financial condition of the company, as the basis for operational planning Companies, as a basis for decision making and as a means to control the company.

The results of this study are supported by research Muzahid (2011), which states that the level of education positive effect on the quality of financial reporting. Other empirical studies of Anugraheni (2013), states that education has a positive influence on the decision making of the financial statements. Furthermore, Risalawati & Sutarno (2014), suggest someone more educated/uneducated would be more participate in making decisions. The results of the Murina & Rahmawaty (2017), states that the education level will affect the understanding of the importance of preparing the report interpreneur finance. The results of this study are also consistent with the results Muzahid (2014), which states that education affects the quality of the financial statements.

The influence of individual characteristics (X 2) decision making financial statements. Results of analysis individual characteristics influence on decision making the preparation of financial statements obtained sig. t amounted to 0,036 with 0,105 beta coefficient. Sig. t 0.036 <0.05 indicates that H 0 rejected and H 1 is accepted. This result means that the individual characteristics of a positive influence on the uptake decision preparation of financial statements so that the second hypothesis in this study received.

The results of this study are supported by Theory of Planned Behavior which explains that the attitude (attitude) and the behavior of a person to make decisions preparation of financial statements is determined by the intention of entrepreneurship itself. Entrepreneurship motivation of youth in decision-making preparation of financial statements influenced by individual characteristics. The individual characteristics of the character traits a person who can be changed by the environment or education Hasibuan (2009). Individual characteristics which include personality, perceptions, and attitudes will affect the decision making in the preparation of the report finance.

The results of this study are supported by research Arestanti (2017), which states that the individual characteristics positive effect on the preparation of the results of empirical studies further finance. Nugrahaningsih (2005), which states that a person's character traits or characteristics of the individual effect on ethical decision making, including in the preparation of financial statements. The results of this study also according to research Astuti (2015), which states that the individual characteristics influencing decisions employers to prepare quality financial statements.

4. Conclusion

Based on the analysis and descriptions in the previous chapters then the conclusion can be drawn as follows:

1) The level of education has a positive effect on decision-making preparation of financial statements. Thus, the education level of young entrepreneurs who are Patronage Business Incubator Tenant LPPM Udayana University will influence decision making financial statements.
2) The individual characteristics of a positive influence on the decision making the preparation of financial statements. Thus, the individual characteristics of young entrepreneurs who are Patronage Business Incubator Tenant LPPM Udayana University straight to decision making financial statements.

Conflict of interest statement and funding sources

The authors declared that they have no competing interest. The study was financed by the main author.

Statement of authorship

The authors have a responsibility for the conception and design of the study. The authors have approved the final article.

Acknowledgments

The author would like to thank the editorial team of the journal for their valuable time, support and advice, therefore, the present article could be completed.

References

Ajzen, I. (1985). From intentions to actions: A theory of planned behavior. In *Action control* (pp. 11-39). Springer, Berlin, Heidelberg. https://doi.org/10.1007/978-3-642-69746-3_2

Anugraheni, I. (2017). Analisa Faktor-Faktor yang Mempengaruhi Proses Belajar Guru-Guru Sekolah Dasar. *Kelola: Jurnal Manajemen Pendidikan*, *4*(2), 205-212.

Arestanti, M. A., Herawati, N., & Rahmawati, E. (2016). Faktor-Faktor Internal Individual dalam Pembuatan Keputusan Etis: Studi pada Konsultan Pajak di Kota Surabaya. *Jurnal Akuntansi dan Investasi*, *17*(2), 104-117. http://dx.doi.org/10.18196/1201

Devi, P. E. S., Herawati, N. T., Ak, S. E., Sulindawati, N. L. G. E., & Ak, S. E. (2018). Pengaruh Tingkat Pendidikan, Pemahaman Akuntansi dan Ukuran Usaha Terhadap Kualitas Laporan Keuangan Pada UMKM (Studi Empiris pada UMKM di Kecamatan Buleleng). *JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi) Undiksha*, *8*(2). https://ejournal.undiksha.ac.id/index.php/S1ak/article/view/14566/8896

Ernawati, S., Asyikin, J., & Sari, O. (2016). Penerapan Sistem Akuntansi Dasar pada Usaha Kecil Menengah di kota Banjarmasin. *Wiga: Jurnal Penelitian Ilmu Ekonomi*, *6*(2), 81-91. https://doi.org/10.30741/wiga.v6i2.104

Fanani, Z., Mudyanti, R., & Didied, P. A. (2008). Analisis Karakteristik Pejabat Penatausahaan Keuangan terhadap Etika Penyusunan Laporan Keuangan Satuan Kerja Perangkat Daerah (SKPD). In *The 2 nd Accounting Conference* (Vol. 1). http://mak.trunojoyo.ac.id/wp-content/uploads/2014/04/PSAC.pdf

Hasibuan, M. S. P. (2009). Manajemen Pengembangan Sumber Daya Manusia. *Pustaka Pelajar. Yogyakarta*.

Kasmir, S. P., Thomas, A. P., & Scalisi, J. F. (2016). *U.S. Patent No. 9,237,318*. Washington, DC: U.S. Patent and Trademark Office. https://patents.google.com/patent/US9237318B2/en

Kee-Luen, W., Thiam-Yong, K., & Seng-Fook, O. (2013, February). Strategic planning and business performance: A study of SMEs in Malaysia. In *Proceedings of 3rd Asia-Pacific Business Research Conference, Kuala Lumpur, Malaysia* (Vol. 25). https://wbiworldconpro.com/uploads/malaysia-conference-2013/management/450-Wong.pdf

Kurniawati, E., Rohman, A., & Triyana, K. (2014). Analysis of lard in meatball broth using Fourier transform infrared spectroscopy and chemometrics. *Meat Science*, *96*(1), 94-98. https://doi.org/10.1016/j.meatsci.2013.07.003

Libby, P. (1995). Molecular bases of the acute coronary syndromes. *Circulation*, *91*(11), 2844-2850. https://www.ahajournals.org/doi/full/10.1161/circ.91.11.2844

Masri, S., & Effendi, S. (1989). Metode Penelitian Survei. *LP3Es, Jakarta*.

Muzahid, M. (2014). Pengaruh Tingkat Pendidikan, Kualitas Pelatihan, dan Lama Pengalaman Kerja Pegawai Terhadap Kualitas Laporan Keuangan Satuan Kerja Perangkat Daerah (SKPD) di Kabupaten Aceh Utara. *Jurnal Akuntansi*, *2*(2), 179-196. http://jurnal.pnl.ac.id/wp-content/plugins/Flutter/files_flutter/1401957461JurnalRiau_1.pdf

Nazier, D. (2009, July). Kesiapan SDM Pemerintah Menuju Tata Kelola Keuangan Negara yang Akuntabel dan Transparan. In *Seminar Nasional*.

Nugrahaningsih, P. (2005). Analisis perbedaan perilaku etis auditor di KAP dalam etika profesi (Studi terhadap peran faktor-faktor individual: locus of control, lama pengalaman kerja, gender, dan equity sensitivity). https://digilib.uns.ac.id/

Puji Astuti, Y. (2015). *Pengaruh Karakteristik Perusahaan Terhadap Kualitas Laporan Keuangan (Study Empiris pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode 2010-2013)* (Doctoral dissertation, Universitas Muhammadiyah Surakarta). http://eprints.ums.ac.id/37343/

Rahmawaty, R. (2017). Pengaruh Tingkat Pendidikan, Kualitas Pelatihan, dan Pengalaman Kerja Aparatur Desa terhadap Pemahaman Laporan Keuangan Desa (Studi pada Kecamatan Banda Raya Kota Banda Aceh). *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi Unsyiah*, *2*(3), 111-120. http://www.jim.unsyiah.ac.id/EKA/article/view/4859

Risalawati, F., & Sudarno, S. (2014). *Pemanfaatan Laporan Posisi Keuangan Oleh Pengguna Dalam Pengambilan Keputusan (Studi Empiris pada Instansi Pemerintahan di Jawa Tengah)* (Doctoral dissertation, Fakultas Ekonomika dan Bisnis). http://eprints.undip.ac.id/42841/1/RISALAWATI.pdf

Robbins, S. P. Dan Timothy A. Judge. 2008. *Perilaku Organisasi*.

Shujiro, U. (2000). Policy Recommendation for SME Promotion in the Republic of Indonesia. *Jakarta: JICA (Japan International Coorperation Agency)*.

Teak-Hoon, L. E. E., Kim, N. S., Kim, P. W., & Chul-Yong, J. A. N. G. (2009). *U.S. Patent Application No. 12/253,734*. https://patents.google.com/patent/US20090134528A1/en

Biography of Authors

I Gusti Agung Dwitariani was born on July 13th, 1994 in Denpasar. She is interested in economics, especially in accounting. He graduated his bachelor degree in the Faculty od Economics and Business, Udayana University, Bali in 2015. She currently is finishing his Master degree in accounting at Udayana University in 2018. Respecting his diligence and high motivation to learn, the author has successfully completed the article well. She expects this article has to be the well next to a writer

Email: dwi_tariani@yahoo.com

Ni Ketut Rasmini writer for the second of this article, She also teaching at Udayana University.

Email: tut_ras@yahoo.com