

The role of social assistance program on management accounting practice

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Abstract

Purpose - The purpose of this study is to determine the procurement of social assistance program on management accounting practice of MSMEs in food industry sector in Semarang during the Covid-19 pandemic.

Method - The population in this study was 17,602 MSMEs in Semarang. The research samples were 144 MSMEs in the food industry sector in Semarang obtained using a non-random sampling technique with a purposive sampling method. The data were then processed using descriptive analysis, data quality test, classic assumption test, simple regression analysis, and hypothesis test with IBM SPSS 25 software.

Result - The results show that procurement of social assistance program affected management accounting practice of MSMEs in the food industry sector in Semarang during the Covid-19 pandemic.

Implication - The results show that with the support provided by the government and financial institutions in the form of social assistance programs to MSMEs had positive impacts by encouraging MSMEs to implement management accounting practices during the covid-19 pandemic.

Originality - Procurement of Social Assistance Program is an independent variable which is later expected to be able to overcome MSME problems due to the financing faced by MSMEs in Semarang in response to the impact of Covid-19 pandemic.

Keywords: social assistance program; management accounting practice; pandemic affected MSMEs



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Introduction

Micro, Small and Medium Enterprises are one of businesses to reduce the heavy burden faced by the national economy (Helmalia, 2018). Those can be considered as the backbone of national economy is because MSMEs are the most strategic businesses involving the livelihood of many people (Wicaksono & Nuvriasari, 2015). Until now, MSMEs are considered as an effective sector to improve economy.

The growth rate of MSMEs is quite fast, higher than the growth of large-scale businesses. The number of MSMEs in Indonesia has recently reached 57 million MSMEs which are divided into 3: micro, small, and medium enterprises (Suindari & Juniariani, 2020). Economic growth can be seen from significant small business activities, both traditional and modern sectors through MSMEs. According to the Ministry of Cooperatives and Small and Medium Enterprises, per 2012, the number of MSMEs in Indonesia has reached 64,194,057 MSMEs. Furthermore, the number of MSMEs in Semarang, the capital city of Central Java province and one of the largest cities, has reached 17,602 MSMEs per September 2020 (Semarang Department of Cooperatives and MSMEs).

At the beginning of 2020, the outbreak of positive Covid-19 cases entered Indonesia. The Covid-19 outbreak has impacted all sectors in Indonesia, including MSMEs. A total of 17,602 MSMEs in Semarang are threatened with the significant income decrease when compared to their commonly obtained income and some even choose to temporarily close their businesses during the Covid-19 pandemic. On the other hand, MSME business actors must also continuously pay their loans, loan interests, and obligations, such as taxes. Thus, MSME business actors desperately need the government's social assistance program, to continuously grow and develop their business during the Covid-19 pandemic.

To deal with the impact of Covid-19 pandemic, the government has made various policies to provide economic stimulus to MSMEs, including Social Assistance Program Policy for MSMEs. The government has provided

assistance to MSMEs in the form of Social Assistance Program through two government agencies concerned with MSMEs, namely the Ministry of Cooperatives and Small & Medium Enterprises (known as *KemenkopUKM*) and Ministry of Industry (known as *Kemenperin*). These two ministries have developed various strategies to help MSMEs affected by the Covid-19 pandemic, including free from loan payments, tax breaks for 6 months, and cash transfers for micro-scale businesses (Rahma, 2020).

Semarang is a city with a fairly high number of MSMEs in Indonesia performing an innovative business capital assistance program with a fairly light credit assistance of 3% per year or 0.25% per month. The social assistance program has existed since 2017 known as "*Program Kredit Wirausaha Bangkit Jadi Jawara*" (*Wibawa*). The presence of this program helped MSMEs in Semarang develop through a business capital credit system with a relatively light interest rate and eventually improve the welfare of MSME community through these business capital loans.

To manage social assistance from the Government, MSMEs need to implement management accounting practices. For MSMEs, management accounting practices are needed to manage and develop MSMEs during the Covid-9 pandemic by considering various financial and non-financial information to help MSMEs improve their business in the midst of Covid-19 pandemic. MSME actors must be able to manage, allocate, and utilize financial resources without causing negative impacts. In this case, management accounting practice is appointed to provide a financial information for management purposes related to information for management to make a final decision. The more information obtained to assist MSMEs in making their final decisions, the better their quality (Herliansyah, 2018). With this social assistance, MSMEs will pay more attention and careful in managing their finances, as encouraged to practice the management accounting assisted by the government. MSMEs will be encouraged to well manage finances and perform financial management as material for decision making assisted by the government optimally used by MSMEs. Thus, MSMEs are able to increase competitiveness during the COVID-19 pandemic, improve MSME

performance and be able to restore and develop MSMEs during the Covid-19 pandemic by implementing the management accounting practices. Based on the above background, the research problem is formulated "Does social assistance program affect management accounting practice in food industry sector during the Covid-19 pandemic?"

Literature Review

Policy Implementation Theory

In this study, policy implementation theory was used to explain the relationship between Semarang Government policies in accelerating the handling the Covid-19 impact on MSMEs in Semarang. Thus, MSMEs can pay more attention and careful in managing their finances since obliged to provide reports on funds obtained from Semarang Government. MSMEs are encouraged to well manage finances and perform financial planning as material for making decisions on funds obtained from Semarang Government to be optimally used. Thus, social assistance program for MSMEs possibly increased MSME competitiveness, improved MSME performance, as well as restored and developed MSMEs during the Covid-19 pandemic. Thus, management accounting practices are needed to manage and develop MSMEs during the Covid-19 pandemic by considering various financial information and non-financial information to assist MSMEs in improving their business in the midst of Covid-19 pandemic with the provision of social assistance programs from Semarang Government for SMEs affected by the COVID-19 pandemic.

Contingency Theory

The reason why the researcher used the contingency theory is because MSMEs are encouraged to develop good and appropriate management accounting practices. The development of management accounting practice is made to develop business and improve MSME financial management encouraged by the social assistance programs provided by the government. The social assistance program can urge MSMEs by requiring

financial management as a form of responsibility for social assistance funds. With the pressure and conditions triggering the MSMEs to develop business and compete with others by implementing the management accounting practices.

Hypothesis Development

In this pandemic situation, a fast mechanism is needed. Thus, social assistance for MSMEs as one sector affected by the Covid-19 pandemic. Salle (2019) explained that a “policy in social assistance program introduces many new, innovative, and large-scale approaches”. Policies in social assistance program are used to explain the relationship between those issued by Semarang Government in accelerating the handling of Covid-19 impact on an MSMEs in Semarang. Thus, Semarang Government hopes that social assistance provided for MSMEs affected by Covid-19 pandemic can well improve their business and utilize the social assistance in accordance with their business needs. To survive and remain sustainable, MSME needs to use financial information as well as non-financial information. Reid and Smith (2002) in Azudin & Mansor (2018) stated that "companies can gain access to financial and non-financial information to help improve the operating activities through Management Accounting Practice. This is very important because financial and non-financial information is needed to access its business operating system through the use of management accounting practices". That way, MSMEs can improve their business managerial functions.

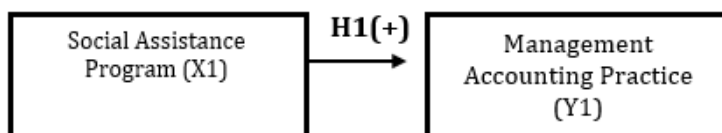


Figure 1. Research Framework

It can be said that the implementation of policies from Semarang Government in handling the impact of Covid-19 will impact MSMEs encouraged to make decisions. The decision-making is to develop good management accounting practices in MSMEs. In this case, the contingency of the procurement of social assistance programs due to the impact of Covid-19 expecting that MSMEs will be able to develop the management accounting practices to develop businesses and improve MSME financial management encouraged by the social assistance program provided by Semarang Government.

Nanda (2010) in Prihastiwi & Sholihin (2018) explained that the use of management accounting practices can help SMEs in managing their resources to increase the value given to customers and owners/managers. In this case, the use of management accounting practice is very helpful in managing the company, including in terms of planning and budgeting for decision making. Therefore, with the provision of social assistance programs, MSMEs can properly use and utilize management accounting practices. Based on this description, it can be concluded that social assistance program positively affects management accounting practice. Thus, the first hypothesis of this study is formulated as follows:

H₁: Social assistance program positively affects management accounting practice

Research Methods

This research used quantitative research with explanatory research approach. The population in this study was all MSME actors in Semarang. The samples were collected using a non-random sampling technique with a purposive sampling method. The minimum sample size in this study was determined using Slovin formula. Thus, 144 SMEs were obtained based on the following criteria: 1) MSMEs operating for at least 3 years. 2) MSMEs still producing in the midst of Covid-19 pandemic. The data were collected through distribution of questionnaires. The questionnaires were distributed through online using google form link sent through *WhatsApp*. This study

used hypothesis testing of simple regression analysis as a statistical approach with one independent variable and one dependent variable.

This study used Likert scale ranging 1-5. The Likert scale with the answer characteristic of scale 1 (one) indicates that respondent strongly agrees with the questionnaire, scale 2 (two) indicates that respondent agrees, scale 3 (three) indicates that respondent is neutral or has no opinion, scale 4 (four) indicates that respondent does not agree with the questionnaire, and scale 5 (five) indicates that respondent strongly disagrees with the questionnaire.

Table 1. Variables, Operational Definitions and Dimensions and Indicators

Variable	Operational Definition	Dimension	Indicator	Questionnaire
Management Accounting Practice	The process of identifying, measuring, collecting, analyzing, preparing and communicating financial/financial information that is used by management for planning, evaluation, control within an organization and to ensure the determination of sources and accountability for these sources (Charles T. Homgren, 1993 in Pusung & Lumowa 2015).	Information System	Financial planning (Alleyne & Marshall, 2011 in Prajanto & Dian Pratiwi, 2019)	1. MSMEs carry out financial planning using both manual and computerized information systems.
				2. MSMEs carry out financial records/administration, both debts, receivables, inventories, and assets using both manual and computerized information systems.
				3. MSMEs are able to make simple financial budgets using both manual and computerized information systems.
			Financial Report (Alleyne & Marshall, 2011 in Prajanto & Dian Pratiwi 2019)	MSMEs prepare financial reports, namely balance sheets or financial positions and income statements using information systems, both manual and computerized.

			Achievement evaluation (Alleyne & Marshall, 2011 in Prajanto & Dian Pratiwi 2019)	MSMEs use management accounting information systems to evaluate performance achievements, for example sales targets
			Decision making (Alleyne & Marshall, 2011 in Prajanto & Dian Pratiwi 2019).	<ol style="list-style-type: none"> 1. MSMEs manage finances using both manual and computerized information systems for various decisions, such as investment and funding during the Covid-19 pandemic. 2. MSMEs perform financial calculations using both manual and computerized information systems for the future after the Covid-19 pandemic.
Procurement of Social Assistance Programs	Procurement of social assistance programs is assistance in the form of money, goods, or services to MSMEs who are vulnerable to the risk of Covid-19 in an emergency by optimizing risk mitigation that takes into account regulatory aspects, justification, and supporting data or	Risk mitigation	Need for MSMEs for the Social Assistance Programs	MSMEs need a Social Assistance Program from the Semarang Government.
			impact of social assistance programs	The Social Assistance Program for MSMEs can help MSMEs face problems during the Covid-19 pandemic

documentation based on procurement principles and ethics. Sources based on (SE3/20 LKPP) & (Per LKPP 13/2018) consisting of Pre-Contract (SE4/20 LKPP) and Post-Contract (Per LKPP 9/2018)	Distribution of Social Assistance Programs	MSMEs receive direct cash assistance from the government during the Covid-19 pandemic
	Form of social assistance program	<ol style="list-style-type: none"> 1. MSMEs received a working capital stimulus, either in the form of KUR or other than KUR during the Covid-19 pandemic 2. MSMEs received credit relaxation during the Covid-19 pandemic.

Results and Discussion

Based on the above calculation, of a total population of 17,602 MSMEs, the researchers took 144 MSMEs in the food industry sector in Semarang as research samples. Based on the table 2, the number of questionnaires distributed to MSME actors was 238 questionnaires. The questionnaires not meeting criteria 1 (MSMEs operating under 3 years) were 57 questionnaires or 24%, while questionnaires not meeting criteria 2 (MSMEs not producing during the Covid-19 pandemic) were 37 questionnaires or 16%. =144 questionnaires were eventually ready to be processed. An overview on 144 questionnaires was summarized in the respondents' self-identity listed in the questionnaires completed by the respondents through online via WhatsApp.

In table 3, it can be seen that MSME business actors with a duration of operation for 3-5 years are 73 respondents or about 51%; 5-10 years of business are 45 respondents or about 31%; and 26 respondents have been in business for > 10 years or about 18%. This shows that most respondents have been in business for 3-5 years.

The longer the business, the more the business will develop; and the more the experience and the more knowledge will be possessed by MSME actors, including in financial sector. In addition, the length of business can also

increase their business in the future to have a good perception on the importance of business management through accounting practices. Therefore, through the government's social assistance program in the form of capital/financial assistance, MSMEs can manage the capital/financial assistance through the management accounting practices.

Table 2. Research Samples

Sampling Criteria	Number	Percentage (%)
Distributed Questionnaires	238	100%
(-) MSMEs operating under 3 years	57	24%
(-) MSMEs not producing during the Covid-19 pandemic	37	16%
Questionnaires ready to be processed	144	61%

Source: processed data, 2021

Table 3. Characteristics of Respondents Based on Length of Business Operating

Length of Business	Total	Percentage
3-5 years	73	51%
5-10 years	45	31%
> 10 years	26	18%
Total	144	100%

Source: processed data, 2021

Table 4. Characteristics of Respondents Based on Businesses Still Producing During the Covid-19 Pandemic

Businesses	Total	Percentage
Still producing	123	85%
May produce	21	15%
Total	144	100%

Source: processed data, 2021

Table 5. Respondents' Responses to Social Assistance Program Variable

No.	Indicator	SS	S	N	TS	STS	Index (%)	Criteria
1.	MSMEs needs for social assistance program	12.9	8.9	4.6	0.6	4.9	31.8	High
2.	Impact of social assistance programs	10.7	11.4	7.9	0.6	4.2	34.7	High
3.	Distribution of social assistance programs	7.9	9.2	10.8	6.1	11.8	45.8	High
4.	Form of social assistance programs	3.9	22.4	5.4	6.1	8.0	45.8	High
Average							39.5	High

Source: processed data, 2021

Table 6. Respondents' Responses on Management Accounting Practice Variable

No.	Indicator	SS	S	N	TS	STS	Index (%)	Criteria
1.	Financial planning	3.3	9.1	11.3	6.1	6.1	35.9	High
2.	Financial statement	0.5	15.6	13.8	6.7	4.9	41.3	High
3.	Performance achievement evaluation	4.4	17.2	13.3	5.6	6.1	46.7	Medium
4.	Decision making	4.5	15.7	15.6	5.8	5.3	47.0	Medium
Average							42.7	High

Source: processed data, 2021

According to table 4, business owners as respondents whose businesses are still producing during the Covid-19 pandemic are 123 respondents with a percentage of 85%, then respondents whose businesses may be producing during the Covid-19 pandemic are 21 respondents with presentations. There is a 15% chance that MSME actors still have plans to continue production during the Covid-19 pandemic. From this, MSME actors during the Covid-19 pandemic are still producing because people prefer to prioritize food needs during the Covid-19 pandemic. So that MSMEs are still trying to maintain their business so that they can still earn income during the Covid-19 pandemic.

Based on the results of respondents' responses, social assistance program had 4 indicators with the average number of social assistance program by 39.5. Thus, it can be concluded that respondents' responses on social assistance program are in high category, meaning that during the Covid-19 pandemic, MSMEs have received the social assistance provided the government.

Based on the results of respondents' responses, management accounting practice had 4 indicators with the average value of 42.7 and categorized into high. So, it can be interpreted that during the Covid-19 pandemic there were several MSMEs that had implemented management accounting practices in their business.

Table 7. Descriptive Statistic

	N	Min	Max	Mean	Std. Deviation
Procurement of Social Assistance Program	144	6	22	10.19	3.907
Management Accounting Practice	144	7	30	13.67	5.883
Valid N (listwise)	144				

Source: processed data, 2021

Table 8. Data Validity Test Results for Social Assistance Program Procurement Variables and Management Accounting Practice Variables

Variable	Item			Result
		r count	r table	
Social Assistance Program	X1.1	0.808	0.163	Valid
	X1.2	0.684	0.163	Valid
	X1.3	0.854	0.163	Valid
	X1.4	0.371	0.163	Valid
	X1.5	0.741	0.163	Valid
Management Accounting Practice	Y.1	0.873	0.163	Valid
	Y.2	0.930	0.163	Valid
	Y.3	0.916	0.163	Valid
	Y.4	0.911	0.163	Valid
	Y.5	0.879	0.163	Valid

Source: processed data, 2021

Table 9. Reliability Test Result

Variable	Cronbach's Alpha Item	Result
Social Assistance Program	0.743	Reliable
Management Accounting Practice	0.955	Reliable

Source: processed data, 2021

Table 7 above shows number of respondents (N) as many as 144 respondents. Furthermore, the results of SPSS output above also show that the mean (average) value is greater than the standard deviation, thus indicating that the results of the social assistance program procurement variable and the management accounting practice variable have a fairly good distribution. This is because the standard deviation is a very high, causing the data to show normal results.

Based on table 8, the results of processed validity test data on social assistance program and management accounting practice, each question item shows that the calculated r-count is greater than the r-table saying that the data on both variables are included into valid category.

Table 9 shows that each variable is considered reliable because the value Cronbach's Alpha is more than 0.70, meaning that social assistance program and management accounting practice are reliable.

Based on the table 10, it can be seen that the value of Asymp number. Sig.(2-tailed) is 0.057. This is in accordance with the requirements of normality test, the sigs value must be > 0.05 . It can be concluded that the processed questionnaire data is normally distributed and can be used for further testing.

Based on table 11, it can be seen that the value of linearity is $< \alpha$ (0.000 < 0.05). Thus, it can be concluded that there is a linear relationship between social assistance programs and management accounting.

Table 10. Normality Test Result

One-Sample Kolmogorov-Smirnov Test			
			Unstandardized Residual
N			144
Normal Parameters ^{a,b}	Mean		.0000000
	Std. Deviation		5.26378703
	Most Extreme Differences	Absolute	.073
		Positive	.073
		Negative	-.063
Test Statistic			.073
Asymp. Sig. (2-tailed)			.057 ^c

Source: processed data, 2021

Table 11. Linearity Test Result

	Sum of Squares	df	Mean Square	F	Sig.
Linearity	870.483	1	987.834	38.240	.000

Source: processed data, 2021

Table 12. Heteroscedasticity Test Result

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
1 (Constant)	3.066	.754		4.066	.000
Social Assistance Program	.105	.069	.126	1.514	.132

Source: processed data, 2021

Table 13. Simple Regression Analysis

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
1 (Constant)	6.808	1.234		5.518	.000
Social Assistance Program	.673	.113	.447	5.950	.000

Source: processed data, 2021

Based on table 12, the Glejser test shows the significance value social assistance program was 0.132. This is in accordance with the requirements for passing the heteroscedasticity test with the sig value of > 0.05 . Thus, it can be interpreted that this research regression is considered meeting the requirements ($0.132 > 0.05$).

Based on the results of the simple regression test above, a simple regression equation can be obtained as follows:

$$Y = 6.808 + 0.673X_1 + e$$

From the results of the simple regression equation above, it can be explained as follows: 1) The constant value of 6.808 in the regression equation above means that if the value of the independent variable in this case, social assistance program, is zero, then the value of dependent variable or management accounting practice is 6.808. 2) The regression coefficient for social assistance program is 0.673, meaning that if social assistance program increases by one percent and the other values remain constant, while the management accounting practice will increase by 0.673. The regression coefficient is indicated by a positive value, meaning that the higher the social assistance program obtained by MSMEs, the higher their level of management accounting practice.

Regression models can be specified with a value of R^2 (Adjusted R Square) of 0.194 or 19.4%. This means that management accounting practice during the Covid-19 pandemic can be explained with the value of social assistance program by 19.4%. The remaining value is 80.6% ($100\% - 19.4\% = 80.6\%$) against the other variables not examined in this study.

The table above shows that results of the calculated F value is $35.403 > 3.05$, meaning that the calculated F value is $> F$ table and sig. value of 0.000 not more than 0.05. It is concluded that H1 is accepted. Thus, social assistance program simultaneously and positively affects management accounting practice.

Table 14. R² Test Result

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.447 ^a	.200	.194	5.282	

Source: processed data, 2021

Table 15. F Test Result

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	987.834	1	987.834	35.403	.000 ^b
	Residual	3962.166	142	27.903		
	Total	4950.000	143			

Source: processed data, 2021

Table 16. T-test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.808	1.234		5.518	.000
		.673	.113	.447	5.950	.000

Source: processed data, 2021

The table above shows that the sig value is 0.000 not more than 0.05. It is concluded that H1 is accepted. Thus, social assistance program simultaneously and positively affects management accounting practice.

The effect of social assistance program on management accounting practice of MSMEs in food industry sector during the Covid-19 pandemic

Based on the results of descriptive statistical analysis, social assistance program had 4 indicators with the average result of 39.5% and classified into high category, meaning that during the Covid-19 pandemic, MSMEs have received social assistance programs provided by the government. The results

of questionnaire proved that 76% of MSMEs strongly agree and agree, 12% neutral and 12% disagree and strongly disagree with 4 indicators. The results of questionnaire also support that almost 85% of MSMEs still produce during the Covid-19 pandemic, because people prefer to prioritize food needs during the Covid-19 pandemic. Thus, social assistance program provided by the government is utilized by MSMEs properly to maintain their business to continuously earn income during the Covid-19 pandemic.

Furthermore, the results of statistical analysis show that management accounting practice of MSMEs had 4 indicators with the average results of 42.7% and classified into high category, meaning that MSMEs have developed management accounting practices properly during the Covid-19 pandemic. This is evidenced by the results of questionnaire that 64% of MSMEs strongly agree, 22% neutral, and 14% disagree and strongly disagree.

The average respondent's responses on social assistance program and management accounting practice of MSMEs are classified into high category, respectively by 39.5% and 42.7%. This is supported by 51% of MSME actors are in the developing stage because the length of the business is in 3-5-year age group. So, the desire or interest of MSME actors to be productive is still high and easy to get social assistance program from the government during the pandemic Covid-19. Thus, the longer the business, the more the business will develop. The more the experience, the more the knowledge will be possessed by MSME actors, including in financial sector. Length of business is also one requirement to obtain social assistance program from government, such as Authority Credit Program.

Based on the hypothesis results, social assistance program positively affects management accounting practice of MSMEs in food industry sector in Semarang during the COVID-19 pandemic. Thus, the hypothesis is accepted. Meanwhile, the MSME social assistance programs are in the forms of working capital stimulus and credit relaxation. Semarang Government has also provided the Entrepreneurial Credit Program known as *Bangkit Jadi Jawara (Kredit Wibawa)* as a social assistance program for MSMEs affected by Covid-19 in Semarang. In fact, this credit authority program has been expanded

from offline to online, making it easier for MSME actors to obtain this assistance.

Social assistance program provided by the government is in line with the implementation of policy theory, where Semarang government's social assistance program policy is intended to accelerate the handling of COVID-19 impact on MSMEs. This is proven by 76% of MSMEs have participated in government policies to accelerate the handling of Covid-19 impact by providing social assistance programs. The social assistance program is well utilized by MSMEs to meet their business needs so that their business can survive and remain sustainable during the Covid-19 pandemic. With the assistance program, MSMEs are encouraged to make decisions. This is in line with the contingency theory. In this case, the contingency of social assistance program is due to the impact of COVID-19, in which MSMEs are eventually able to develop management accounting practice to develop businesses and improve MSME financial management. This is evidenced by 64% of MSMEs participating in developing management accounting practices during the Covid-19 pandemic, so that the social assistance program can be properly utilized and managed by MSMEs.

The results of this test are in accordance with the research conducted by Sugiri (2020) mentioning that social assistance is intended to survive from the impact of Covid-19 pandemic. In addition, the research conducted by Iping (2020) said that social assistance can also sustainably maintain the purchasing power of business actor groups so that it can increase business development in the midst of Covid-19 pandemic. Further research conducted by Prajanto & Pratiwi (2019) shows that good management accounting practice can help management manage the company, including planning and budgeting for decision making in business management. Thus, it can be concluded that the social assistance program provided by the government can be well managed by MSMEs to develop their business in the midst of Covid-19 pandemic by utilizing the management accounting practices.

Conclusion

This study was conducted to determine the effect of procurement of social assistance program on management accounting practice of MSMEs in food industry sector in Semarang during the Covid-19 pandemic. The study was conducted on 238 MSMEs in food industry sector in Semarang with respondents filling out the questionnaires, yet the data processed in this study were only from 144 respondents. The data were processed using SPSS version 25. 51% of MSMEs was in the developing stage because the length of their business was in 3-5-year age group. In addition, 85% of MSME business actors still produced the products during the COVID-19 pandemic. Based on the respondents' response rate, it can be concluded that MSMEs were aided with the social assistance programs provided by the government.

Based on the results of hypothesis test above, it can be concluded that procurement of social assistance program had a positive effect on management accounting practice of MSMEs in food industry sector during the Covid-19 pandemic. Therefore, the support of government and financial institutions by providing social assistance programs to MSMEs had a positive impact by encouraging MSMEs to implement management accounting practices during the COVID-19 pandemic.

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