

## Payroll Accounting System for Motorcycle Dealers Honda Ramayana in Surabaya

Hariyanti

STIE Muhammadiyah Tuban

Email: [hariyantidarmawan@gmail.com](mailto:hariyantidarmawan@gmail.com)

**Abstract.** *The success of a company is not only measured by the company's ability to raise funds. The development performance of a company is influenced by several factors, including: natural resources, capital resources, technological resources, facilities and infrastructure resources and human resources. Among the resources above, human resources have a dual function, namely as object resources that are managed, on the other hand as subjects who manage and control all other resources to realize the goals that have been set in each economic activity. Human resources who work in the company receive income in the form of salaries. Salary is one of the important things for every employee who works in a company, because with the salary earned, a person can fulfill their daily needs. Apart from that, salary is an important element that can influence employee performance, because salary is a tool to meet various employee needs, so that with the salary given employees will be motivated to work harder.*

**Keywords:** Payroll Accounting System, Honda Ramayana Motorcycle Dealer, Surabaya

### INTRODUCTION

The payroll accounting system as one of the subsystems of the accounting system in large companies involves personnel functions, financial functions and accounting functions. The personnel function is responsible for appointing employees, determining positions, determining salary rates, promotions and demotions, transferring employees, terminating employees from their jobs, and determining various employee welfare benefits and calculating employee salaries. The finance function is responsible for implementing salary payments and various employee welfare benefits. The accounting function is responsible for recording labor costs for the purposes of calculating the cost of products and providing information for monitoring labor costs (Mulyadi, 2001: 383-385).

Implementing a payroll accounting system in a company or agency, whether managed by the government or private sector, can help management in managing labor/employee costs. The payroll accounting system will help company management in improving internal control in the company so that the company can achieve its stated goals. Likewise, the Ramayana Honda motorbike dealer, which has quite a lot of employees, requires the implementation of a payroll accounting system.

RAMAYANA Honda Motorcycle Dealer is a motorbike dealer company that sells motorbikes under the Honda brand. This company also has a workshop to repair and service Honda brand motorbikes. From the results of initial observations, the problem that occurs in companies related to payroll systems and procedures is that there are multiple tasks in the financial administration section which can be seen in the payroll system flow chart, thereby

allowing fraud to occur. This cannot be said to be in accordance with the provisions of the payroll accounting system from the aspect of terms and conditions, requirements for the functions involved, procedures, documents and records used, and there is no special section that oversees the employee attendance process. By implementing a good payroll accounting system, it will stimulate employee enthusiasm for the company and ensure the company avoids losses. An accounting system that is run effectively and efficiently can support the company's internal control, especially in employee payroll procedures (Hidayat, 2013). A weak payroll accounting system will give rise to unhealthy practices such as embezzlement and misuse of company money or employee salaries. If this happens, it is not impossible that employees will question the company about any irregularities in what should be their rights. Seeing the problems that occur at the Ramayana company, especially in terms of payroll, the author is interested in researching the "Payroll Accounting System at RAMAYANA Honda Motorcycle Dealers in Surabaya"

## **THEORETICAL BASIS**

### **Payroll Accounting System Concept.**

Another understanding put forward by Baridwan (1990: 102) is that the payroll accounting system is a framework of interconnected procedures in accordance with a comprehensive scheme for carrying out the company's main activities and functions.

### **Internal Control System.**

The definition of internal control according to Krismiaji (2002:219) is as follows:  
"Internal control is an organizational plan and methods used to safeguard or protect assets, produce accurate and reliable information, improve efficiency, and to encourage compliance with management policies."

### **The Importance of Payroll Accounting Systems for Internal Control**

According to Mulyadi (2003) an adequate payroll accounting system in a company will influence the internal payroll control established in the system. If the payroll accounting system is implemented well, the internal payroll control implemented will be effective, efficient and adequate. So the payroll accounting system has an important influence on internal control.

## RESEARCH METHODOLOGY

### Types of research.

The type of research used by the author is Descriptive Research, namely research that attempts to describe and interpret something, for example existing conditions or relationships, developing opinions, ongoing processes, consequences or effects that occur, or ongoing trends.

The phenomenon is presented as is, the research results are explained clearly and unambiguously without manipulation, therefore this research does not have a hypothesis but is a research question. Descriptive analysis can use frequency distribution analysis.

This research will focus on describing the payroll accounting system carried out at the Ramayana Honda Motorcycle Dealer Surabaya.

### Research Location and Time.

The research location is a place or area where the research will be carried out. The research carried out by the author took place at the Ramayana Honda Motorcycle Dealer in Surabaya, whose address is Jalan Basuki Rahmat 49-51 Surabaya.

Tel: (031) 534 0875 Fax. : (031) 531 8329

E-mail:[info@honda-ramayana.co.id](mailto:info@honda-ramayana.co.id),<http://www.honda-ramayana.co.id>

The time of the research is the time when the researcher takes place or when the research is carried out for 3 months, namely December 15 2016 to February 23 2017. With a detailed schedule of activities attached.

## RESULTS AND DISCUSSION

### Research Data Analysis and Discussion

#### Quantitative Descriptive Data Analysis

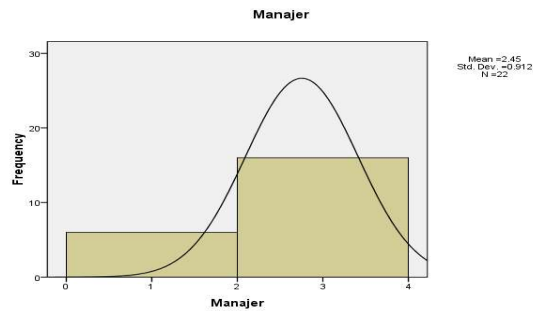
- a. FrequencyThe Payroll Accounting System is viewed from the aspect of the functions involved in Ramayana Honda Motorcycle Dealer Surabaya

**Frequency Table**

<u>Manajer</u>				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	6	27.3	27.3	27.3
3	16	72.7	72.7	100.0
Total	22	100.0	100.0	

**Histogram**

## Histograms

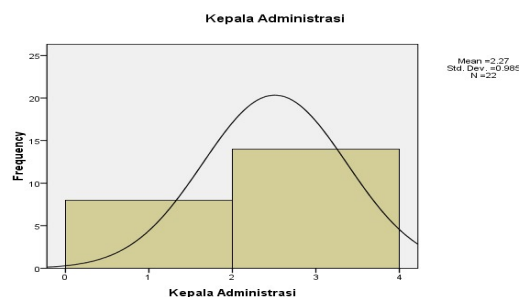


The first table is a tableManagerwith the following details: The number who gave a score of 1 was 6 questions or 27.3%, those who gave a score of 3 were 16 questions or 72.7%. This means that the implementation of the payroll accounting system when viewed from the aspect of the functions involved can be said to be good.

### Head of administration

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	8	36.4	36.4	36.4
3	14	63.6	63.6	100.0
Total	22	100.0	100.0	

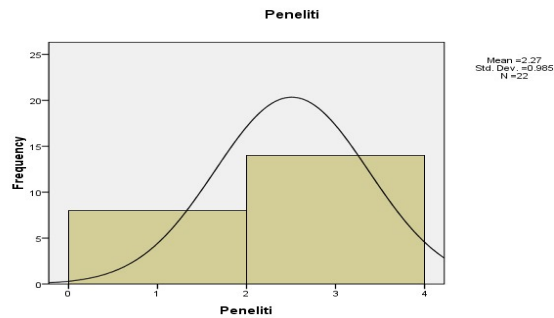
## Histograms



The second table is a tableHead of administrationwith the following details: The number who gave a score of 1 was 8 questions or 36.4%, those who gave a score of 3 were 14 questions or 63.6%. This means that the implementation of the payroll accounting system when viewed from the aspect of the functions involved can be said to be good.

**Researcher**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	8	36.4	36.4	36.4
3	14	63.6	63.6	100.0
Total	22	100.0	100.0	

**Histograms**

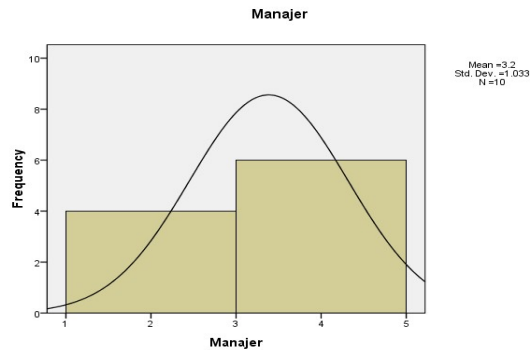
The third table is a tableResearcherwith the following details: The number who gave a score of 1 was 8 questions or 36.4%, those who gave a score of 3 were 14 questions or 63.6%. This means that the implementation of the payroll accounting system when viewed from the aspect of the functions involved can be said to be good.

- b. Frequency of the Payroll Accounting System in terms of aspects of related procedures at Ramayana Honda Motorcycle Dealer Surabaya

**Frequency Table****Manager**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2	4	40.0	40.0	40.0
4	6	60.0	60.0	100.0
Total	10	100.0	100.0	

### Histograms

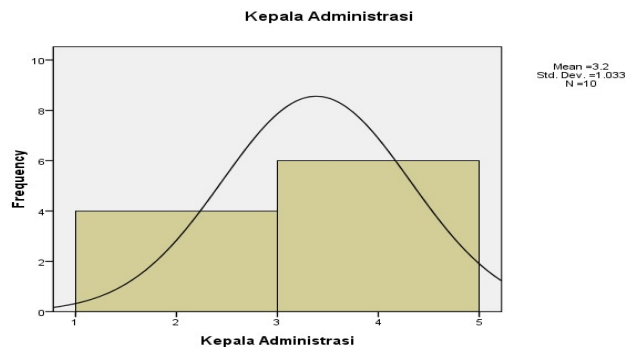


The first table is a tableManajerwith the following details: The number of people who gave a score of 2 was 4 questions or 40%, and those who gave a score of 4 were 6 questions or 60%. This means that the implementation of the payroll accounting system when viewed from the related procedural aspects can be said to be good.

#### Head of administration

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2	4	40.0	40.0	40.0
4	6	60.0	60.0	100.0
Total	10	100.0	100.0	

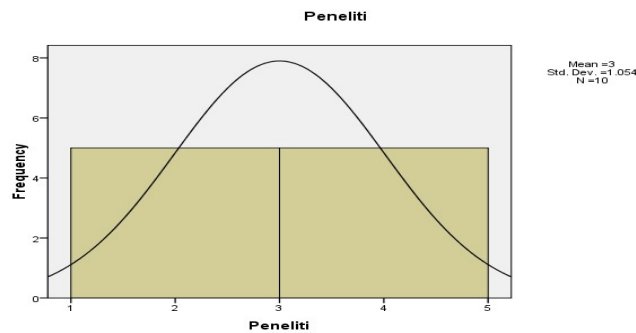
### Histograms



The second table is a tableHead of administrationwith the following details: The number of people who gave a score of 2 was 4 questions or 40%, and those who gave a score of 4 were 6 questions or 60%. This means that the implementation of the payroll accounting system when viewed from the related procedural aspects can be said to be good.

**Researcher**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	5	50.0	50.0	50.0
	4	5	50.0	50.0	100.0
	Total	10	100.0	100.0	

**Histograms**

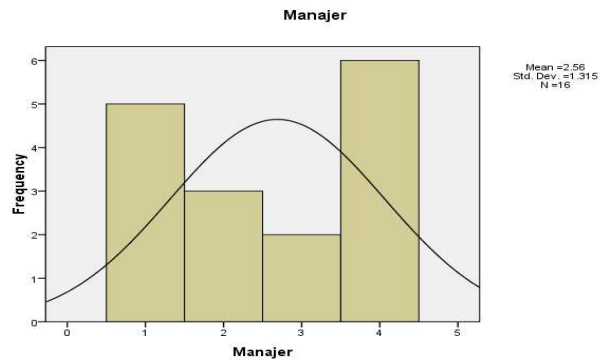
The third table is a tableResearcher with the following details: The number of people who gave a score of 2 was 5 questions or 50%, and those who gave a score of 4 were 5 questions or 50%. This means that the implementation of the payroll accounting system when viewed from the related procedural aspects can be said to be good.

- c. Frequency of the Payroll Accounting System in terms of the aspects of the documents used at Ramayana Honda Motorcycle Dealer Surabaya

**Frequency Table****Manager**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	5	31.3	31.3	31.3
	2	3	18.8	18.8	50.0
	3	2	12.5	12.5	62.5
	4	6	37.5	37.5	100.0
	Total	16	100.0	100.0	

## Histograms

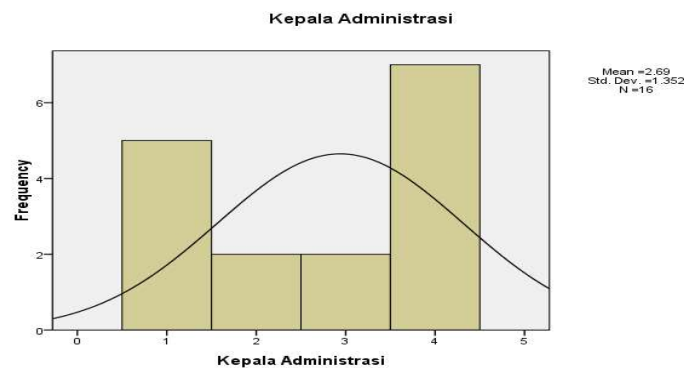


The first table is a tableManager with the following details: The number who gave a score of 1 was 5 questions or 31.3%, those who gave a score of 2 were 3 questions or 18.8%, those who gave a score of 3 were 2 questions or 12.5%, and those who gave a score of 3 were 2 questions or 12.5%, and those who giving a score of 4 is 6 questions or 37.5%. This means that the implementation of the payroll accounting system when viewed from the aspect of the documents used can be said to be very good

### Head of administration

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	5	31.3	31.3	31.3
2	2	12.5	12.5	43.8
3	2	12.5	12.5	56.3
4	7	43.8	43.8	100.0
Total	16	100.0	100.0	

## Histograms

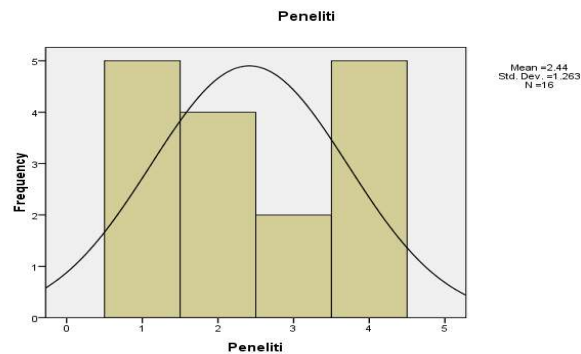




The second table is a tableHead of administration with the following details: The number who gave a score of 1 was 5 questions or 31.3%, those who gave a score of 2 were 2 questions or 12.5%, those who gave a score of 3 were 2 questions or 12.5%, and those who gave a score of 3 were 2 questions or 12.5%, and those who giving a score of 4 is 7 questions or 43.8%. This means that the implementation of the payroll accounting system when viewed from the aspect of the documents used can be said to be very good.

**Researcher**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	5	31.3	31.3	31.3
2	4	25.0	25.0	56.3
3	2	12.5	12.5	68.8
4	5	31.3	31.3	100.0
Total	16	100.0	100.0	

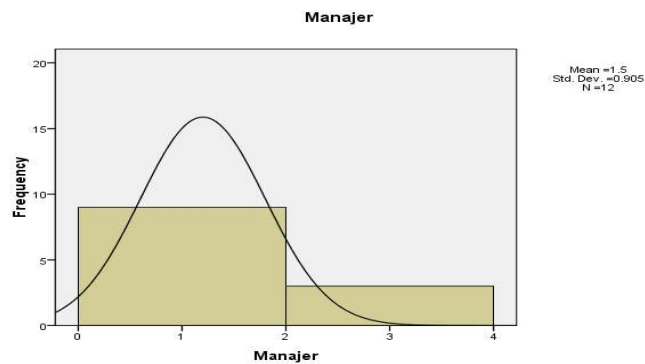
**Histograms**

The third table is a tableResearcher with the following details: The number who gave a score of 1 was 5 questions or 31.3%, those who gave a score of 2 were 4 questions or 25%, those who gave a score of 3 were 2 questions or 12.5%, and those who gave a score 4 is 5 questions or 31.3%. This means that the implementation of the payroll accounting system when viewed from the aspect of the documents used can be said to be quite good.

d. Frequency of the Payroll Accounting System in terms of the aspects of records used at Ramayana Honda Motorcycle Dealer Surabaya

**Frequency Table****Manager**

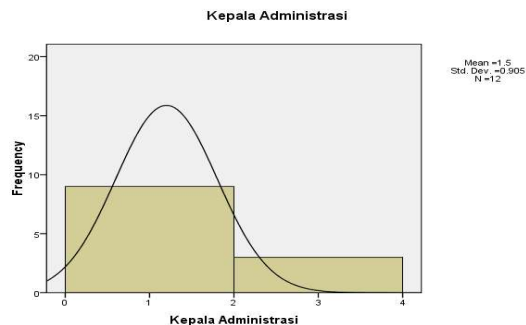
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	9	75.0	75.0	75.0
3	3	25.0	25.0	100.0
Total	12	100.0	100.0	

**Histograms**

The first table is a tableManagerwith the following details: The number of people who gave a score of 1 was 9 questions or 75%, and those who gave a score of 3 were 3 questions or 25%. This means that the implementation of the payroll accounting system when viewed from the aspect of the records used can be said to be not good.

**Kepala Administrasi**

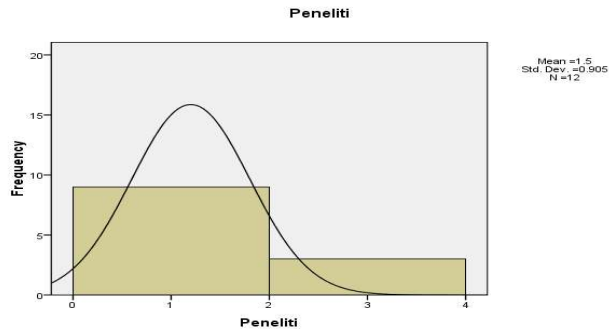
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	9	75.0	75.0	75.0
3	3	25.0	25.0	100.0
Total	12	100.0	100.0	

**Histograms**

The second table is a tableHead of administrationwith the following details: The number of people who gave a score of 1 was 9 questions or 75%, and those who gave a score of 3 were 3 questions or 25%. This means that the implementation of the payroll accounting system when viewed from the aspect of the records used can be said to be not good.

**Researcher**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	9	75.0	75.0	75.0
3	3	25.0	25.0	100.0
Total	12	100.0	100.0	

**Histograms**

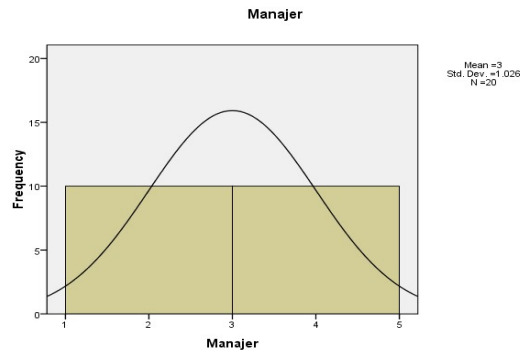
The third table is a tableResearcherwith the following details: The number of people who gave a score of 1 was 9 questions or 75%, and those who gave a score of 3 were 3 questions or 25%. This means that the implementation of the payroll accounting system when viewed from the aspect of the records used can be said to be not good.

e. Frequency of the Payroll Accounting System in terms of the main elements of internal control at Ramayana Honda Motorcycle Dealer Surabaya

**Frequency Table****Manager**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2	10	50.0	50.0	50.0
4	10	50.0	50.0	100.0
Total	20	100.0	100.0	

### Histograms

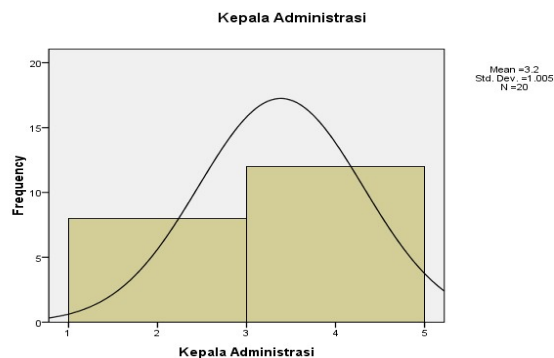


The first table is a tableManajerwith the following details: The number who gave a score of 2 was 10 questions or 50%, and those who gave a score of 4 were 10 questions or 50%. This means that the implementation of the payroll accounting system when viewed from the aspect of the main elements of internal control can be said to be quite good.

#### Head of administration

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2	8	40.0	40.0	40.0
4	12	60.0	60.0	100.0
Total	20	100.0	100.0	

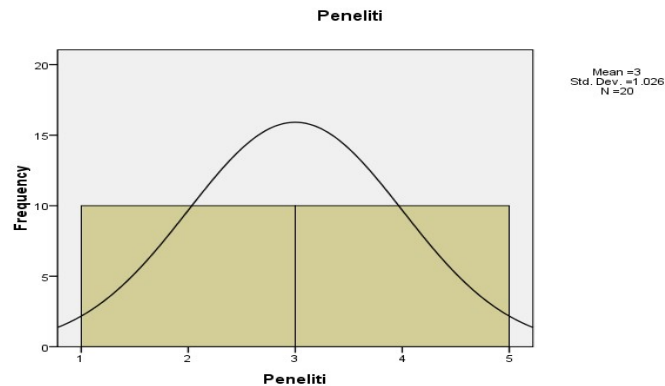
### Histograms



The second table is a tableHead of administrationwith the following details: The number of people who gave a score of 2 was 8 questions or 40%, and those who gave a score of 4 were 12 questions or 60%. This means that the implementation of the payroll accounting system when viewed from the aspect of the main elements of internal control can be said to be very good.

**Researcher**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	10	50.0	50.0	50.0
	4	10	50.0	50.0	100.0
	Total	20	100.0	100.0	

**Histograms**

The third table is a tableResearcher with the following details: The number who gave a score of 2 was 10 questions or 50%, and those who gave a score of 4 were 10 questions or 50%. This means that the implementation of the payroll accounting system when viewed from the aspect of the main elements of internal control can be said to be quite good.

**Flow Chart Analysis**

Based on the results of the flow chart data scores obtained after being compared with the ideal flow chart, theoretically it can be explained as follows:

1) The functions related to the Payroll Accounting System are as follows:

a. Personnel Functions

The role of personnel function is the Head of Admin, who is responsible for selecting, appointing and transferring employee positions. The appointment of new employees is through a selection process which is based, among other things, on assessing educational background, selection test results and the interests of prospective employees. For employees who are declared to have passed, a Decision Letter will be made by the Head of Admin Department which will be approved by the General Manager. However, in implementing the payroll accounting system there is no role for the Head of Admin.

b. Timekeeping Function

Because there is no absence monitoring section in employee payroll, the Ramayana payroll accounting system does not have a time recording function. However, employees still take attendance by using the finger print located at the security post to find out the arrival and departure times of each employee. This absence is related to the Head of Admin section for monitoring employee discipline.

c. Payroll Maker Function

The function responsible for calculating the payroll is held by the Admin Section.

d. Accounting Function

This function is also carried out by the Admin Section whose task is to record obligations arising from the payment of employee salaries. For example, there are employee debts or other deductions.

e. Financial Function

This function is held by the Bank because the Finance Department is not responsible for disbursing cash.

2) The payroll procedure at Ramayana Honda Motorcycle Dealer is as follows:

a) Head of Administration

The process starts from the Head of Administration, where this section calculates salaries according to each employee's position. The Head of Administration also serves as a reporter for cash disbursements.

b) Director

The Director checks and approves salary application letters and authorizes total salary slips to be disbursed and transferred to each employee's account. The final payroll process for the Director is validating the expense report issued by the finance department.

c) General Manager

After the salary application letter is approved and the total salary slip is authorized, the Head of Admin gives the document to the General Manager. The General Manager makes the deposit directly to the bank and waits for the transfer process to complete and proof of transfer to be printed. Then the General Manager submits proof of transfer to the Head of Admin to be processed into an expense report.

d) Bank

The bank is an outside party that collaborates with Ramayana and only makes transfers if there is a signature from the director. Once the signature is believed to be genuine, the bank transfers the salary to each employee's account.

3) The documents used in the payroll accounting system are:

a. Supporting documents for salary changes

At Ramayana Honda Motorcycle Dealer this document is published by the General Manager, but salary changes are very rare so the Admin section tends to adhere to the previous month's payroll archive.

b. Present time card

The attendance card or what is often called an attendance sheet is archived by the General Manager. However, this document does not affect the amount of salary the employee receives.

c. Payroll

This document is not issued by the finance department because employee salaries are paid by direct transfer to the employee's account.

d. Payroll recap

This document is created by the finance department under the name of a salary application letter authorized by the director.

e. Salary statement letter

Like the payroll, the finance department does not make salary statements because the employee salary payment system uses direct transfers to employee accounts.

f. Pay envelope

There isn't any

g. Proof of cash out

This document is proof of cash disbursement, namely proof of transfer from the bank.

4) The records used in the payroll accounting system are:

a. General ledger

General journals are used to record the distribution of labor costs into each department in the company, namely marketing costs, administrative and general costs.

b. Ledger

Functions to post salary amounts from the general journal.

5) Internal Control Process

The purpose of internal control is to guarantee accuracy and accuracy in calculations, payments and salary recording. From the research results, the internal salary control system implemented at Ramayana Honda Motorcycle Dealer Surabaya is as follows:

- a. Each employee is appointed with an employment contract signed by the General Manager and Director.

- b. There is a separation of functions that can be seen in the payroll system, namely the Administration section which makes the payroll and the bank which makes salary payments.
- c. Any deductions imposed on employee salaries are not based on authorization from the Head of Admin.

Thus, the researcher proposes the following:

1. There is supervision during absence

With supervision during attendance, employees are afraid of falsifying their arrival or departure times and it is ensured that there is a little sense of discipline in each employee which will improve employee performance. This can improve the company's internal control.

2. Procurement of pay slips

RAMAYANA	
<u>Salary slip</u> January 2017	
NIK/Name: Position: Work unit :	
<u>Recipient</u> Basic Salary xxx Position Allowance xxx Overtime xxx <u>Bonus/THR xxx</u> Total Revenue xxx	<u>Piece</u>     <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> Total Expenditure xxx
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: left;">           Take Home Pay            Ka.Bag. Administration         </div> <div style="border: 1px solid black; width: 80px; height: 30px; display: flex; align-items: center; justify-content: center;">xxx</div> </div> <div style="text-align: center; margin-top: 10px;">           (TTD and Stamp)         </div> <div style="text-align: center; margin-top: 20px;"> <u>YULIA</u> </div>	

3. Employee salary cuts based on authorization from the General Manager

This will cause the salary calculation section to be more careful and the salary list to be checked by two different sections. To make it easier for the Head of Admin to calculate salaries, the General Manager first issues a Salary Change Table as follows:



<b>Salary Change Table</b>				
1. Employee Loans				
No	Name	Loan		Remaining Payment
2. Entry Employee				
No	Name	Work unit	Employment status	Position
3. Transfer Employees				
No	Name	Work unit	Employment status	Position
4. Employee Leaves				
No	Name	Work unit	Position	Note.
Surabaya, _____ 2017 Ka. Sec. Administration				

A copy of the letter containing the employee's loan, both the loan amount and the number of deductions, will be very useful for the Head of Admin. With this employee loan document, the Head of Admin will check the employee loan first before determining the salary received by the employee. It is recommended that a copy of this letter be given to the Head of Admin and the General Manager.

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusion

Based on data analysis it can be concluded as follows:

1. The implementation of the Payroll Accounting System is viewed from: a) the functional aspects involved are classified as good, this can be seen from the results of frequency

analysis which shows 63.6% said it was good. b) the related procedures are considered quite good, this can be seen from the results of frequency analysis which shows 50% said they were quite good. c) the documents used are quite good, this can be seen from the results of frequency analysis which shows 31.3% said they were quite good. d) the records used are classified as not good, this can be seen from the results of frequency analysis which shows 75% say they are not good. and e) the main elements of internal control are classified as quite good, this can be seen from the results of frequency analysis which shows 50% say they are sufficient Good.

2. The effectiveness of the Payroll Accounting System Flow Chart implemented is classified as pooreffective, this can be seen from the results of the flow chart analysis based on the percentage of effectiveness of the flow chart which shows a result of 42.3%. Because it only involves the head of administration and administrative employees.

### **Suggestion**

Hopefully the results of the discussion and conclusions that have been described can be used as input for Honda Ramayana Motorcycle Dealers in Surabaya, including:

1. In order for the Honda Ramayana Motorcycle Dealer in Surabaya to place supervisors during absences, this can make employees more disciplined when attending and returning home, apart from that the procurement of pay slips and deductions from employee salaries must at least be informed to employees after obtaining authorization from the General Manager, p. This is to make it easier for employees to find out the details of their salaries after checking by two different departments (Salary Department and General Manager), and another copy letter for the finance department which contains employee loans, both loans and the number of deductions, will be very useful for the Head of Admin. , because with this employee loan document, the Head of Admin will check the loan first before determining the salary that the employee will receive.
2. In order for the Honda Ramayana Motorcycle Dealer in Surabaya to complete several sections on related functions such as personnel functions, salary list maker, accounting function and financial function, apart from that, to make payroll easier for employees, at least the Ramayana Honda Motorcycle Dealer in Surabaya also makes envelopes and salary details letters. employees so that employees know exactly how much the employee's salary will be after being subject to loan deductions, and there needs to be accounting records after payroll is held.
3. A payroll accounting system that supports various applications in it will not function correctly and well if the people who work in it (who operate it) do not upgrade their

knowledge and skills. Therefore, there is a need for training and courses on payroll accounting systems to improve the quality and competency of human resources in the company.

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