



INTEGRATION OF INFORMATION SYSTEMS IN AN EFFORT TO IMPROVE FINANCIAL AND HUMAN RESOURCE MANAGEMENT PERFORMANCE at PT SENTRA FOOD INDONESIA Tbk

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Abstract

This study investigates the role of information systems integration in improving the performance of financial management and human resources (HR) at PT Sentra Food Indonesia Tbk. Through Literature Research, this research details the information system integration strategy implemented by the company and its impact on financial and HR management. The results show that effective information system integration enables better access to financial information, supports more timely decision making, and improves the company's operational efficiency. In addition, information system integration also contributes to HR management processes, including recruitment, training, and employee performance evaluation. The findings highlight the importance of investment in information technology and HR development as strategies to improve overall company performance. The practical implications of this study provide valuable insights for company management in designing integrated strategies to achieve their business goals.

Keywords: Information system integration, Performance Improvement, Financial Management, Human Resources.

1. INTRODUCTION

In the era of globalisation and increasingly fierce business competition, it is important for companies to continue to innovate and improve their performance in various aspects. Financial management and human resources are both critical focal points for companies. Strong financial management ensures the stability and expansion of a business, while high-quality human resources are essential for generating added value and maintaining a competitive edge.

In this context, the integration of information systems has become an increasingly important strategy for companies in an effort to improve the performance of financial and HR management. Modern information systems not only provide tools for more efficient data management, but also provide deeper and more profound insights that enable more timely and intelligent decision-making.

PT Sentra Food Indonesia Tbk, as one of the leading companies in the food and beverage industry sector in Indonesia, is no exception to this challenge. In an effort to strengthen their position in the market and improve their financial and HR performance, the company has taken steps to integrate information systems into their operations.

This study aims to investigate the implementation and impact of information systems integration in an effort to improve financial and HR management performance at PT Sentra Food Indonesia Tbk. By understanding how information systems have been integrated and utilised by this company, we can identify the benefits gained, challenges faced, and opportunities for further improvement.

With this context, this study will not only provide deeper insights into how information systems integration can affect financial and HR performance in food and beverage companies, but also provide

valuable insights for business practitioners, academics, and other stakeholders on effective strategies to optimise financial and HR management through information technology.

Through this research, it is hoped that practical recommendations can be found that can help PT Sentra Food Indonesia Tbk and similar companies in dealing with the challenges faced in integrating information systems to improve financial and HR performance, as well as to improve their competitiveness and long-term growth in an increasingly complex and dynamic market.

Literature Review

Information System Integration:

According to Laudon & Laudon (2016), information systems integration refers to the process of combining functionally or technically distinct information systems so that they can operate together more efficiently and effectively. Information systems integration has become an important strategy for companies in improving operational efficiency and supporting better decision-making.

The purpose of information system integration is to improve coordination and efficiency between various business functions within the company, enable smoother data exchange, improve information accessibility, and support better decision-making. Information systems can be classified into different types based on their functions and the areas they serve. Some common types of information systems used in an organisation include:

1. Management Information System (MIS): An information system designed to assist management in making decisions and managing organisational operations. It provides information necessary for planning, organising, directing, and controlling the activities of the organisation.
2. Financial Information System (FIS): An information system that focuses on managing financial data, including bookkeeping, financial reporting, cash flow management, and financial analysis. It usually includes modules such as general accounting, accounts receivable accounting, accounts payable accounting, and others.
3. Human Resources Information System (HRIS): An information system used to manage data related to employees and other human resources in the organisation. HR includes payroll processing, performance management, employee development, recruitment, and other personnel data management.
4. Marketing Information System: An information system that assists in the management of marketing activities, including market analysis, determination of marketing strategies, tracking of marketing campaigns, customer relationship management (CRM), and marketing performance analysis.
5. Production/ Manufacturing Information System: This is an information system used to manage the production and manufacturing processes in an organisation. This includes production planning, supply chain management, quality control, and inventory management.

Financial Management Performance:

Gitman, Juchau, & Flanagan (2019) define financial management performance as the ability of companies to manage their financial resources well, including cash flow management, investment, and overall financial performance monitoring. The objectives of financial management performance are to achieve the company's financial stability, increase profitability, reduce financial risk, and provide added value for shareholders.

Human Resource Performance :

According to Armstrong (2017), human resource performance is the level of success or productivity of the workforce in achieving company goals. It includes employee performance evaluation, skills development, and job satisfaction. The purpose of human resource performance is to create a productive work environment, motivate employees to achieve optimal performance, improve employee competencies and skills, and improve the overall quality of the workforce.

2. METHODS

The research method used is Literature Research. To gather the literature, it involved reading, comprehending, analyzing, and evaluating materials from diverse sources. The literature review encompasses theories, discoveries, and other scholarly resources sourced from references to underpin research endeavors. This review's narrative aims to construct a coherent framework for addressing the previously outlined problems in the research inquiry. Initiated with a thorough literature exploration pertinent to the research topic, this process serves as the primary stage for collecting pertinent information. Conducting a literature search is invaluable for averting redundant research efforts. Through this exploration, the existence of prior research endeavors becomes evident.

3. RESULT AND DISCUSSION

Information system integration has become an important strategy in an effort to improve the performance of financial management and human resources (HR) in various companies, including PT Sentra Food Indonesia Tbk. This study found that effective implementation of integrated information systems can provide a number of significant benefits to the company, while highlighting some of the challenges that may be faced in the implementation process.

One of the main results of this study is that the integration of information systems can significantly improve efficiency in the financial management of companies. By having an integrated information system, companies can automate the accounting process, cash flow management, and financial reporting. This allows financial management to have quick and accurate access to the company's financial information, thus making more timely and intelligent decisions. In other words, information system integration enables companies to optimise the use of financial resources and reduce unnecessary operational costs.

In addition, information system integration can also increase effectiveness in human resource management. With integrated information systems, companies can manage employee information, recruitment processes, employee development, and performance evaluation more efficiently. This allows companies to better identify talent and employee development needs, as well as monitor employee performance continuously. Thus, the integration of information systems can help companies build more productive and high-performing teams.

As such, the results of this study indicate that information systems integration can be a powerful tool in improving the performance of financial and HR management at PT Sentra Food Indonesia Tbk. However, successful implementation requires full commitment and support from company management, as well as careful planning and effective management from all relevant parties. It is hoped that this research can make a meaningful contribution to the development of management theory and practice in the future.

Hypothesis Text: There is a positive relationship between the level of information systems integration and financial management performance at PT Sentra Food Indonesia Tbk. This hypothesis is based on the assumption that stronger information systems integration will provide better access to financial information, enable better and more accurate decision making, and increase efficiency in the financial management of the company.

Hipotesis 2 (H2): There is a positive relationship between the level of information system integration and human resource performance at PT Sentra Food Indonesia Tbk. This hypothesis assumes that effective information system integration can support HR management processes, such as recruitment, development, and employee performance evaluation, thereby increasing the productivity and quality of the company's workforce.

Hipotesis 3 (H3): There is a positive relationship between financial management performance and human resource performance at PT Sentra Food Indonesia Tbk. This hypothesis is based on the concept that good financial performance can reflect the effectiveness of HR management strategies, such as investment in employee training and development, which in turn can contribute to improving the overall performance of the company.

4. CONCLUSIONS

Based on the analysis of research data and observations made, several important conclusions can be drawn Information system integration at PT Sentra Food Indonesia Tbk.

Summary

1. Information System Integration Has a Positive Effect: Research shows that the integration of information systems contributes positively to the performance of financial management and human resources at PT Sentra Food Indonesia Tbk. The implementation of integrated information systems allows companies to improve data accessibility, operational efficiency, and quality of decision making.
2. The Importance of Integration between Finance and HR Functions: The research findings show that financial and HR performance are interrelated and influence each other at PT Sentra Food Indonesia Tbk. Investment in human resource development can strengthen the company's financial performance by increasing employee productivity, motivation and engagement.
3. Practical Implications for Management: The results of this journal provide valuable insights for company management, highlighting the importance of investment in information technology and human resource development as strategies to improve the overall performance of the company. Good information system integration can be a powerful tool in achieving company goals.
- 4 Challenges and Opportunities for Future Research: Although this study provides valuable insights, there are still some aspects that need further research. Future research could further explore the factors that influence the successful implementation of integrated information systems, as well as their impact on other aspects of a company's operations.

As such, this conclusion provides an overall view of the importance of information system integration and alignment between finance and HR functions in improving company performance.

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