AIMC 2018
ASIA International Multidisciplinary Conference

2nd ASIA International Multidisciplinary Conference 2018
(AIMC2018)

Acceptance of Abstract
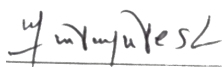
Ref:AIMC-2018-EBM-399

Dear LITA KUSUMASARI,

I am pleased to inform you that your abstract entitled **THE EFFECTIVENESS BETWEEN EMOTICONS AND TRADITIONAL FIGURES ON PRESENTING ACCOUNTING INFORMATIONS** has been accepted for 5 slides 5 minutes in **2nd ASIA International Multidisciplinary Conference 2018(AIMC2018)** after peer review by the editorial board (AIMC2018). Please note that the conference will be held on 12-13 May 2018 at Faculty of Management, Universiti Teknologi Malaysia, Johor Bharu. You are hereby requested to upload payment proof at http://portal.connectingasia.org/ within 14 days. Participants who can't ensure their presences at conference venue are allowed to present virtually through **video conferencing using Skype**. This paper will be published in a SCOPUS / ISI Indexed journal as mentioned on the conference website (see link for detail).

For future correspondence, use this **AIMC-2018-EBM-399** as reference. If you have any queries, feel free to contact any of the undersigned accordingly.

Prof. Dr. Amran Rasli
Chief Editor
Faculty of Management,
UTM, Johor Bahru, Malaysia
e-mail: aic@utm.my,
website: http://www.utm.my/asia

Muhammad Imran Qureshi
Director Operation/Publications
Connecting ASIA Sdn Bhd.
44 Jalan Kemuliaan 8, Skudai,
Johor, Bahru, Malaysia.
e-mail: miqureshi80@gmail.com
Whatsapp/Contact: +60 11 26277412
website: http://www.connectingasia.org

Title of the article

First Author[1]*, Second Author[2], Third Author[3]

[1]*Affiliation of the first author*
[2]*Affiliation of the second author*
[3]*Affiliation of the third author*
*Corresponding author E-mail:

Abstract

The manuscript should contain an abstract. The abstract should be self-contained and citation-free and should not exceed 200 words. The abstract should state the purpose, approach, results and conclusions of the work. The author should assume that the reader has some knowledge of the subject but has not read the paper. Thus, the abstract should be intelligible and complete in it-self (no numerical references); it should not cite figures, tables, or sections of the paper. The abstract should be written using third person instead of first person.

Keywords: *Use about five key words or phrases in alphabetical order, Separated by Semicolon.*

1. Introduction

This document can be used as a template for Microsoft Word versions 6.0 or later. Do not submit papers written with other editors than MS Word, it will not be accepted for review. Save the files to be compatible with many versions of MSWord (avoid other document extension than *.doc, *.docx or *.rtf). **Do not submit papers without performing a carefully spellcheck and English language grammar check.** The style from these instructions will adjust your fonts and line spacing. Please do not change the font sizes or line spacing to squeeze more text into a limited number of pages.

2. Page layout

An easy way to comply with the paper formatting requirements is to use this document as a template and simply type your text into it.
Your paper must use a page size corresponding to A4 which is 21cm wide and 29.7cm long. The margins must be set as follows:
Top = 1.5cm
Bottom = 1.5cm
Left =2cm
Right=1.5cm
Your paper must be in two column format with a space of 0.5cm between columns.

2.1. The paper should have the following structure

1. Title of the paper
2. Authors and affiliations
3. Abstract
4. Keywords
5. Introduction
6. Main body
7. Conclusions

8. References

3. Page style

All paragraphs must be justified alignment. With justified alignment, both sides of the paragraph are straight.

3.1. Text font of entire document

The entire document should be in Times New Roman. The font sizes to be used are specified in Table 1.

3.2. Title and author details

All title and author details must be in single-column format and must be centred.
Only the first word in a title must be capital and other word should be in small case. Author details must not show any professional title (e.g. Managing Director), any academic title (e.g. Dr.) or any membership of any professional organization (e.g. Senior Member IEEE).
To avoid confusion, the family name must be written as the last part of each author name (e.g. John A.K. Smith).
Each affiliation must include, at the very least, the name of the company and the name of the country where the author is based (e.g. Causal Productions Pty Ltd, Australia). Email address is compulsory for the corresponding author.

3.3. Section headings

No more than 3 levels of headings should be used. Other headings must be in 9pt font. Only the first word in a heading must be capitalized and other word should be in small case.
Level-1 Heading: A level-1 heading must be in left-justified and numbered with an Arabic numeral. The two level-1 headings

which must not be numbered are "Acknowledgment" and "References".

Level-2 Heading: A level-2 heading must be left-justified and numbered with an Arabic numeral followed by a period.

Level-3 Heading: A level-3 heading must be numbered with an Arabic numeral.

The section should be formatted as left, bold, Times New Roman, and 12pt font size. For subsection (left, bold, Times New Roman, and 10pt), the initial letter of first word should be capitalized and also similarly for other sub-subsections (left, bold, Times New Roman, and 9pt).

Table 1: Font Specifications for A4 Papers

| Font Size	Appearance (in Time New Roman)	
	Regular	Bold
8	table caption, centered figure caption, centered reference item	
9	Author's affiliation, centered Paragraph abstract body	level-3 heading, left-justified
10		author name, centered level-2 heading, left-justified
12		level-1 heading, left-justified reference heading acknowledgement heading
18		Paper title, centered

3.4. Figures and tables

Graphs and other numbered figures should appear throughout the text as close to their mention as possible. Figures shouldn't infringe upon the page borders.

Figures and tables must be centered in the column. Large figures and table can be in one column in order to see them more clearly and avoid placing them in the middle of columns. Any table or figure that takes up more than 1 column width must be positioned either at the top or at the bottom of the page

Photos must be crystal clear with such resolution to allow fine details visibility. The elements from any photo must be explained using numbers, letters, etc. The text within a figure or photo must have the same style, shape and height as the caption has.

Any table, figure or picture must have a caption (Fig.1, Table1, etc.) followed by a proper description. All similar graphics must be generated using the same software product (Excel, Origin, Mathematica, etc.). Importing graphics into the article as images (JPG, BMP, PNG, etc.) should be avoided. All similar electronic schematics, charts, program flow, simulated characteristics, etc. from the article should be generated using the same software product. Importing images from other articles or books it's totally forbidden unless they are cited.
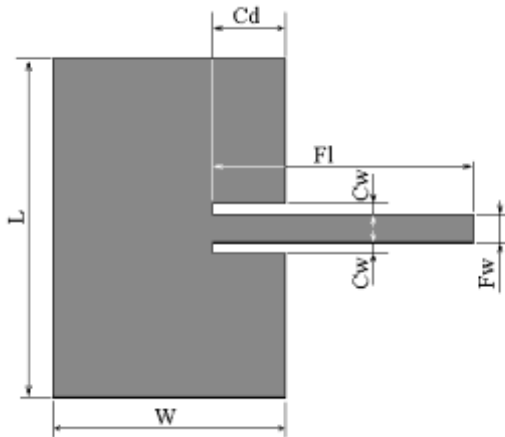
Fig. 1: The text within the figure is Times New Roman, with equivalent height of 10 point, as the caption is. All letters used in the figure are ex-

plained in the caption: L = patch length, W = patch width, Cd = cut depth, Cw = cut width, Fl = feed length, Fw = feed width.

3.4.1. Figure captions

Figures must be numbered using Arabic numerals. Figure captions must be in 8 pt Regular font. Captions of a single line (e.g. Figure 2) must be centered whereas multi-line captions must be justified (e.g. Figure 1). Captions with figure numbers must be placed after their associated figures, as shown in Figure 1.

Fig. 2: Example of an image with acceptable resolution

3.4.2. Table captions

Tables must be numbered using Arabic numerals. Table captions must be centred and in 8pt Regular font. Captions with table numbers must be placed before their associated tables, as shown in Table 1.

3.5. Links and bookmarks

All hypertext links and section bookmarks will be removed from papers during the processing of papers for publication. If you need to refer to an Internet email address or URL in your paper, you must type out the address or URL fully in Regular font.

3.6. Equations

Equations should be numbered consecutively throughout the paper. The equation number is enclosed in parentheses and placed flush right, as in (1). Your equation should be typed using the Times New Roman font (please no other font). To create multileveled equations, it may be necessary to treat the equation as a graphic and insert it into the text after your paper is styled.

$$\sin x + \cos x = a. \tag{1}$$

Definition 2.1: *This is a text of a definition.*

$$\sin x + \cos x = b. \tag{2}$$

Use the same symbol into a definition over the entire article. Use correct symbols for physical or technical terms. (Example: ε_0 and not $\varepsilon 0$ for permittivity). Do not repeat definitions over the article. Refer to already defined symbols, equations, theorems by using the cross reference number (Example: As pointed in (1) the…).

4. A step before the final submission

Detailed submission guidelines can be found on the journal web pages. All authors are responsible for understanding these guidelines before submitting their manuscript.

5. Conclusion

In this section you should present the conclusion of the paper. Conclusions must focus on the novelty and exceptional results you acquired. Allow a sufficient space in the article for conclusions. Do not repeat the contents of Introduction or the Abstract. Focus on the essential things of your article.

Acknowledgement

References

[1] Author,"Title of the Paper", *Journal name*, Vol.X, No.X, (200X), pp.XX-XX, available online: http://xxx, last visit:28.02.2013

[2] Author,"Title of the Paper", *Proceedings of the conference name*, Vol.X, No.X, (200X), pp:XX-YY, http://dx.doi.org/10.1109/MMM.2013.2248651

[3] Author, *Title of the Book*, Publisher, (200X), pp:XXX-YYY.

[4] Cho JH, Chang SA, Kwon HS, Choi YH, KoSH, Moon SD, Yoo SJ, Song KH, Son HS, Kim HS, Lee WC, Cha BY, Son HY & Yoon KH (2006), Long-term effect of the internet-based glucose monitoring system on HbA1c Reduction and glucose stability: a 30-month follow-up study for diabetes management with a ubiquitous medical care system. *Diabetes Care* 29, 2625–2631.

[5] Fauci AS, Braunwald E, Kasper DL & Hauser SL (2008), Principles of Harrison's Internal Medicine, Vol. 9, 17thedn. *McGraw-Hill*, New York, NY, pp.2275–2304.

[6] Kim HS & Jeong HS (2007), A nurse short message service by cellular phone in type-2 diabetic patients for six months. *Journal of Clinical Nursing* 16, 1082–1087.

[7] Lee JR, Kim SA, Yoo JW & Kang YK (2007), The present status of diabetes education and the role recognition as a diabetes educator of nurses in korea. Diabetes Research and Clinical Practice 77, 199–204.

[8] McMahon GT, Gomes HE, Hohne SH, Hu TM, Levine BA & Conlin PR (2005), Web-based care management in patients with poorly controlled diabetes. *Diabetes Care* 28, 1624–1629.

[9] Thakurdesai PA, Kole PL & Pareek RP (2004), Evaluation of the quality and contents of diabetes mellitus patient education on Internet. *Patient Education and Counseling* 53, 309–313.

THE EFFECTIVENESS BETWEEN EMOTICONS AND TRADITIONAL FIGURES ON PRESENTING ACCOUNTING INFORMATION

Lita Kusumasari*, Rusmawan Wahyu Anggoro[2], Miswanto[3]

[1]*YKPN Business School*
[2]*YKPN Business School*
[3] *YKPN Business School*
*Corresponding author E-mail:litakusumasari72@gmail.com

Abstract

Accounting is business language. A language has two components that are symbol and grammatical rule. Accounting information usually presented as the set of procedures for creating financial reports. Based on framework for the preparation and presentation of financial statements, information provided in financial statements are useful to users if it has qualitative characteristics. One of the characteristics is understandability. For this purpose, users are assumed to have a reasonable knowledge of business and economic activities and accounting and a willingness to study the information with reasonable diligence. Accounting information usually presents as numbers and conventional graph. Previous studies suggest that schematic faces is used as alternative communication for accounting information. Existing application of schematic faces is found by Chernoff. In the modern age, people is get used to know emoticon as symbol for communicate easily, so this paper employs emoticon not the Chernoff faces. This research is aimed to know the impacts on the effectiveness between emoticon and traditional figure on presenting accounting information. The analysis of company net income, current ratio, liquidity ratio, return on asset and earning per share are presented in traditional figures and emoticons. Respondent has to find out which company is better performance compare to the other. Method of analysis are descriptive statistic and differential t-test. Respondents are accounting and management students which are taken by purposive random sampling. The result show that respondents have better average score on choosing the better company using emoticon (88.18) compares to traditional figure (82.72). The effectiveness of financial information is also significantly evidenced in emoticons compare to traditional figure.

Keywords: *Accounting information, schematic faces, emoticons, decision making, financial statement.*

1. Introduction

This Accounting is business language. A language has two components that are symbol and grammatical rule. Accounting information usually presented as the set of procedures for creating financial reports. Based on framework for the preparation and presentation of financial statements, information provided in financial statements are useful to users if it has qualitative characteristics. One of the characteristics is understandability. For this purpose, users are assumed to have a reasonable knowledge of business and economic activities and accounting and a willingness to study the information with reasonable diligence.

Accounting information usually presents as numbers and conventional graph. Complex tabular presentations is hard to be an integration of the key features performance and a segmented multi-column format may leave disaggregation aspects of performance rather than an overall valuation (Smith, Taffler, & White, 2002) (1). Traditional graph and chart are easily to understand for only two or three dimensions and quickly become over-complicated when multivariate information is employed.

An alternative means of presentation might provide better and more efficient representation, thus complementing existing methods. The pie-chart, bar chart and trend graph have become familiar and acceptable in the financial report as alternatives to the narrative and numerical form. The used of diagrams, charts, graphs and similar illustrative descriptive can help articulate the role of both financial and non-financial data in accounting system design (Beattie & Jones, 2002) (2).

The look will not matter toward information, but information is only useful if can be used toward decision making. Based on the premise, this research addresses the relative usefulness of emoticon and financial ratios as information formats for business decision making.

2. Literature Review

People try to valuate company using common measures such as ratios. Based on the ratios, people could valuate the company or make decision as needed.

2.1. Ratios

Financial ratio is information that describing relation between accounts. This information is giving picture of the situation that company is facing. Financial ratios analysis is exploring the financial ratios. Financial ratios are divided into two types:

a. Univariate Ratio Analysis

The analysis is only employing one variant to describe the situation. Return on Asset is dividing Return toward Asset. The ratio has been used extensively to picture the financial performance of company.

b. Multivariate Ratio Analysis

The analysis is using more than one variants to describe the situation.

Based on scope and goal to achieve, the financial ratios are divided into five types (Ang, 1997) (3):

a. Liquidity Ratios

Liquidity ratio is the ability of company to pay the debt in present time. Current ratio and net working capital are the examples. Current ratio is current asset divided with current liability. Net working capital is shown the ability of company to run the business.

b. Profitability Ratios

The ratios are shown the ability of company to generate return. The examples are gross profit margin, net profit margin, operating return on assets, return on assets, return on equity, and operating ratio.

c. Solvency Ratios

Solvency ratio is the ability of company to pay the debt in long term. Sometimes, this ratio is called as leverage ratio because company incurs the debt to generate revenue. Leverage ratios are debt ratio, debt to equity ratio, long-term debt to equity ratio, long term debt to capitalization ratio, times interest earned, cash flow interest coverage, cash flow to net income, and cash return on sales.

d. Activity Ratios

This ratio is describing the company's ability to manage the asset efficiently. The examples are total asset turnover, fixed asset turnover, accounts receivable turnover, inventory turnover, average collection period and day's sales in inventory.

e. Market Ratios

The ratio is describing the value of company in term of return on market based on the stocks. The examples are dividend yields, dividend per share, and prive to book value.

2.2. Previous Research

Data become complex and difficult to present graphically. Scholars started to find way to represent multivariate data easily. The research started to flourish when Chernoff (1973) encoded data in facial mapping to help viewers in detecting patterns, groupings, and correlations. It is called Chernoff's faces. It is used to graphically display complex multivariate data (4).

In business, decision making is using complicated sets of multivariate data. Graphic display is one of tools to overcome it. Chernoff's faces have been explored to support the decision making in the different situations. Existing studies in financial environment suggest that they may be superior compare to traditional methods in the communication and decision making qualities.

There were research using Altman model for predicting bankruptcy (Altman, Halderman, & Narayanan, 1977) (5). To measure the efficiently and effectiveness of predicting, employment of schematic faces compare to ratios and financial reports are used. The scholars found out that schematic faces are processed more quickly (efficient) than traditional methods (Smith, Taffler, & White,

2002; Febrianto & Rafdinal, 2006; Kartadjumena, Jayanti, & Hadi, 2011; Oktafiyani, 2013) (1,6–8).

Scholars foundings on effectiveness are divided into two results. One group agrees that schematic faces are most effective with no loss of accuracy compare to traditional methods (Smith, Taffler, & White, 2002 and Kartadjumena, Jayanti, & Hadi, 2011) (1,8). In the other group, they found out that there is inconsistencies among respondents on error type 2. This error is more concerned because it is failure to stated unhealty company as healthy company while using Chernoff's schematic faces (Febrianto & Rafdinal, 2006) (6). The different result is found out that financial ratios are the best to put misclassification error type I and II compare to Doraemon schematic faces (Oktafiyani, 2013) (7). All the findings could be seen on table 1.

Table 1: Summary of Findings

Authors	Research Findings
Smith, Taffler, & White (2002) (1)	100 MBA Finance Students are required to make failed/non-failed decisions on a group of companies when presented with financial information in the form of simplified accounting statements, financial ratios and schematic cartoon faces. Evidence is provided that schematic faces are processed more quickly than either of the more traditional methods, with no loss of accuracy.
Febrianto & Rafdinal (2006) (6)	The respondents (bachelor students, graduate students, academicians, and practices) are most efficient and effective when they classify accounting information using Chernoff's schematic faces than any forms of conventional accounting information. They are inconsistencies among respondents for error type 2 (unhealthy company stated as healthy company).
Kartadjumena, Jayanti, & Hadi, (2011) (8)	Financial report readers in average have a shorter time (efficient) and a smaller deviation (effective) in interpreting accounting information about company's profitability, liquidity, and leverage sent using schematic faces format presentation instead of conventional ones such as financial ratios and financial data.
Oktafiyani (2013) (7)	Using Doraemon face as schematic face to test efficiency and effectiveness to present financial information. The doraemon way is the most efficient on time processing compare to ratios and conventional financial statement. The most effective decision on liquidity, leverage and profitability is ratios. The effectiveness of financial ratios is also significantly evidenced in misclassification (type I and II) compare to others.

Based on the previous researches there are some issues for more considerations:

1. The differences in the number of misclassification errors resulting from the schematic faces compare to ratios and financial statements.
2. The differences in the effectiveness for decision making resulting from the schematic faces compare to ratios and financial statements.
3. The differences of using schematic model between Chernoff's faces to Doraemon to describe multivariate data.

The exploration of schematic faces are varies. This research is using emoticon because more popular compares to Chernoff's faces with the hypothesis:

Ha1: Financial information presented using Emoticon has lower errors compare to ratios when declaring better company.

3. Methodology

It is quantitative method using questionnaires. Purposive sampling method is applied. Respondents are business school students from accountancy and management that have taken accounting principle and finance. Both classes are normally taken in second and third semester. It is distributed after class and voluntarily responded. The students have business knowledge about measuring company performance. They are 110 respondents from 133 questionnaires distributed with the return rate is 82.70%.

Respondents are giving questions about respondents profile in term of age, education, and study program. There are 77 from accountancy and 33 from management students. The average study time is 2.88 years. They have basic knowledge of financial performance and ratios. The average age is 20.72 years.

They are five questions in term of net profit, current ratio, solvability ratio, return on asset, and earing per share. Respondent is giving one set of ratio and another set of emoticon. They will give another set after finishing one set.

Respondents are 110 that can be assumed to be normal because more than 30. T-test pair sample is used to analyze the result with descriptive statistics between conventional and emoticon.

4. Result and Findings

The average correct answers using conventional are 82.73 and schematic are 88.18. The schematic value is higher than conventional presentation. Respondents have less errors using schematic compare to conventional (see table 2).

Table 2: Paired Samples Statistics

		Mean	N	Sandard Deviation	Std. Error Mean
Pair 1	Conventional	82.7273	110	19.43746	1.85329
	Schematic	88.1818	110	18.43321	1.75754

Based on the result of T-Test pair sample, the significant value is 0.000 less than $\alpha = 5\%$. It can be concluded that Ho is rejected. Ha is accepted that financial information presented using Emoticon has lower errors compare to ratios when declaring better company (see table 3).

Table 3: Pair Samples Correlations

Pair 1	N	Correlation	Significance
Conventional & Schematic	110	0.408	0.000

When we look at the t counting is 2.775 is bigger than t value 1.645 on $\alpha = 5\%$ and degree of freedom is 109. It can be concluded that Ho is rejected. Ha is accepted that financial information presented using Emoticon has lower errors compare to ratios when declaring better company (see table 4).

Table 4: Pair Samples Test

Pair 1	Mean	Std. Deviation	Std. Error Means	t	Sig
Conventional & Schematic	-5.454	20.616	1.966	-2.775	0.006

Both significant and t test shown that Ho is rejected and Ha is accepted. Financial information using Emoticon has lower errors compare to ratios when declaring better company. The emoticon faces is more effective to take decision making in term of better company to choose.

The result finding is aligned with Smith, Taffler, & White (2002) and Kartadjumena, Jayanti, & Hadi, (2011) (1,8). The emoticon is more simple and popular compare to Chernoff's faces and Doraemon. The emoticon is the ultimate conclusion for happy and sad, so that reader is easier to get conclusion on the better company. The weakness of previous research was the unfamiliar faces with the eyes, nose, mouth and eyebrows that represent of liquidity, profitability and leverage.

It is different finding with Oktafiyani (2013) that stated the most effective decision on liquidity, leverage, and profitability is ratios (7). There is no inconsistencies among respondents as on Febrianto and Rafdinal (2006) (6).

For the next research, the emoticon face should be explore more because they are so many emoticon faces avaiable. The decision making of better company should be expand to fail and non fail company and further on sensivity analysis and others.

5. Conclusions

Based on the finding, there is significantly different between emoticon and ratios presented on decision making. The emoticon is more effective compare to ratios presented. The result finding is aligned with previous research by Smith, Taffler, and White (2002) (1) and Kartadjumena, Jayanti, and Hadi (2011) (8). The emoticon should be explore more on complex decision making that using multivariate information.

Acknowledgement

References

1. Smith M, Taffler R, White L. Cartoon Graphics in the Communication of Accounting Information for Management Decision Making. 2002;1(1):31–50.
2. Beattie VA, Jones MJ. The Use and Abuse of Graphs in Annual Reports: Theoretical Framework and Empirical Study. Account Bus Res. 2002;22(88):291–303.
3. Ang R. Pasar Modal Indonesia. Media Soft Indonesia; 1997.
4. Chernoff H. The use of faces to represent points in k-dimensional space graphically. J Am Stat Assoc. 1973;
5. Altman EI, Halderman RG, Narayanan P. Zeta Analysis: A New Model to Identify Bankcruptcy Risk of Corporations. J Bank Financ. 1977;June:29–54.
6. Febrianto R. Peningkatan komunikasi informasi akuntansi menggunakan gambar kartun. 2006;3(1):127–41.
7. Oktafiyani M. Gambar kartun sebagai suatu alternatif komunikasi informasi akuntansi. 2006;(1989):60–75.
8. Kartadjumena E, Jayanti D, Hadi DA. The Use of Schematic Faces as an Alternative Communication Formats in Sending Accounting Information. Soc Interdiscip Bus Res 2011 Conf Interdiscip Bus Res. 2011;1–19.