

Analysis of Debt Payment Processes to Suppliers Based on Account Payable Procedures at Hilton Bali Resort

Abdul Azis Maulana ^{1*}, I Gusti Agung Bagus Mataram ², Ni Putu Lianda Ayu Puspita ³

¹ Manajemen Bisnis Pariwisata, Pariwisata, Politeknik Negeri Bali

² Manajemen Bisnis Pariwisata, Pariwisata, Politeknik Negeri Bali

³ Manajemen Bisnis Pariwisata, Pariwisata, Politeknik Negeri Bali

*Corresponding Author: maulanaabdulazis10@gmail.com

Abstract: This study aims to analyze of debts payment process based on the Account Payable Standard Operational Procedure at Hilton Bali Resort. Data collection method is by conducting in-depth interviews, observation, and documentation process. In this research, in deciding informant is by using purposive sampling to pick out the informant in collecting data information. The data analysis method is qualitative descriptive analysis through data reduction, data display, and drawing conclusion or verification. The result of this research shows that Hilton Bali Resort has already implemented the standard operational procedure Account Payable on debts payment process. By following thoroughly of these processes of Receiving invoice and purchase orders, Cost Commit Process, Verification conducted by Account Payable Officer, Inspection, Approval, Generic Payment, and Payment Methods. Each of these processes are already aligned with the Account Payable Standard Operational Procedure by Hilton Bali Resort. Based on this research, it can be concluded that the debts payment process based on the Standard Operational Procedure are well implemented at Hilton Bali Resort. Thus, the result shows significant improvement on work performance and efficient time management on the debts payment process at Hilton Bali Resort. The improvement can be seen from the regular list of debt payments, where payments have been adjusted to the request list made by purchasing and received by the Account Payable. Paper usage management has also stabilized with most using gray paper and payments made through the system and transfer.

Keywords: Account Payable, Debt Payment Process, Procedure, Qualitative Descriptive

Informasi Artikel: Submission to Repository on September 2022

Introduction

Tourism plays an important role as a source of foreign exchange earnings and can contribute to the economic growth of countries (Yakup, 2019). Bali is one of the country's highest foreign exchange earners through the financial sector tourism that has many characteristics, Bali is one of the areas with the highest level of the economy in Indonesia, which in 2003 was around 80% of Bali's economic resources depend on the tourism industry (Fitriani, 2018). One of the well-known hotels that located in the southern area is the Hilton Bali Resort in the sawangan village area. Hilton Bali resort offers 401 rooms and 19 villas from one up to three bedroom. Every department in Hilton Bali Resort plays big a big role to run its hotel and one of them is accounting department which manages expenses of financing and the revenue obtained from the operational activities of the hotel (Ryas, 2018). Account payable at Hilton Bali Resort is a part of the accounting department that is responsible for planning and processing hotel debt payments to suppliers (Hanifah, 2019).

One of the tasks of an account payable is to process debt payments to suppliers according to the agreed terms. In the process of paying debts to suppliers, there needs to be a procedure where the procedure is an activity carried out by several people in a department or more to handle transactions that occur uniformly for a transaction that is carried out repeatedly (Susilawati, 2018). At the Hilton Bali Resort, in implementing the process of paying debts to suppliers, they have implemented green practices. Green practice is an action to protect the environment and the products produced are minimal in environmental damage (Budiantoro, 2015). Green practice that has been applied to accounts payable is that it has reduced the use of paper in the process of paying its debts and has used digital, but it has not been carried out in its entirety.

Based on the above background, the writer wants to investigate further about the process of paying debts based on account payable procedures at the Hilton Bali Resort, with the title "Analysis of the Process of Paying Debts to Suppliers Based on Account Payable Procedures at the Hilton Bali Resort".

Method

This research was conducted in the accounting department at Hilton Bali Resort. Hilton Bali Resort is one of the best 5-star hotels in the Sawangan area, precisely located in Nusadua, on Jl. Raya Nusa Dua Selatan, Benoa, Kec. Kuta Sel., Badung Regency, Bali. In this study, the object of research is the analysis of the process of paying debts to suppliers based on account payable procedures at the Hilton Bali Resort. There are two types of data, namely qualitative data and quantitative data, the authors focus more on qualitative data in conducting this analysis. The data used in this study uses two types of data sources, namely primary data and secondary data.

The data used in this study is divided into 2, namely based on the type and based on the source where the data was obtained. The data grouped by type are qualitative data and quantitative data (Landang, 2021). Qualitative research methods can be interpreted as research methods based on postpositivism/interpretive philosophy, used to examine the condition of natural objects, where the researcher is the key instrument, data collection techniques are carried out by triangulation, data analysis is inductive/qualitative, and qualitative research results are more emphasize meaning rather than generalization (Sugiyono, 2016). Qualitative data needed in this study such as the history of the Hilton Bali Resort Hotel, organizational structure of the accounting department, documents related to payment procedures and processed.

The source of the data referred to in the study is the subject from which the data can be obtained (Arikunto, 2013). Data that is grouped based on data sources are primary data and secondary data. Sources of data used in this study are as follows. Primary data is a data source that directly provides data to data collectors. Primary data sources were obtained through interviews with research subjects and by direct observation or observation in the field (Sugiyono, 2016). Primary data collection in this study was carried out by interviewing the relevant parties as many as eleven informants, making observations by direct observation, by looking at the process of paying debts in accounts payable at the Hilton Bali Resort and reviewing the procedures owned by Hilton Bali Resort as a reference. in the process of paying debts in accounts payable. Secondary data is a data source that does not directly provide data to data collectors, for example through other people or through documents. Secondary data sources are complementary data sources that function to complete the data needed for primary data (Sugiyono, 2016). In this study, what is meant is data about the history of the hotel, standard operating procedures (SOP), organizational structure, and journals related to this research. In this study, secondary data were obtained from theses, journals and articles related to account payable procedures.

In this study the sampling method used is non-probability (non-probability), more precisely purposive sampling. non-probability sampling is a sampling technique that provides equal opportunities or opportunities for each element or member of the population to be selected as a sample (Sugiyono, 2016). In this study, the interviewees were assistant director of finance, accountant, purchasing manager, purchasing supervisor, receiving staff, accounting coordinator/general cashier, account payable supervisor, paymaster tax & officer, cost control supervisor, cost control staff. In this study, researchers conducted direct observational research on the procedures of the accounting department at Hilton Bali Resort. There are several things that are the object of research, such as the process of paying debts to accounts payable to suppliers, how to implement accounts payable to green practice, and how effective the stages of the debt payment process are. The documentation carried out in this research is to take pictures in the form of photos, and record the results of interviews with informants related to video and audio (Sugiyono, 2016).

The method used is a qualitative descriptive method. The explanation of the analysis used in this study is as follows: In this study, this qualitative descriptive analysis was used to collect data related to debt payment procedures on accounts payable, study and analyze the organizational structure that had been carried out, study and analyze journals and other documents used during the debt payment process. , provides alternative

procedures for paying debts that are more effective in order to facilitate the process of paying debts, and provide conclusions on the research studied by the author (Armaliya,2018).

Based on the data above, the activities in data analysis according to (Sugiyono, 2016) are: Data Reduction (Data Editor). Data Display (Data Presentation), Conclusion Drawing/ Verification.

a. Data reduction

The data obtained from the field are quite a lot, for which it is necessary to record them carefully and in detail. Reproducing data means summarizing, choosing the main things, focusing on the important things, then looking for themes and patterns. Thus the data that has been reduced will provide a clearer picture, and make it easier for researchers to carry out subsequent data collection, and search when needed. Data reduction is assisted by electronic equipment such as minicomputers, by providing codes on certain aspects (Sugiyono, 2016).

b. Display data (Data presentation)

After the data is reduced, then the next step is to present the data. In qualitative research, the presentation of this data can be done in the form of tables, graphs, pie charts, pictograms, and the like. Through the presentation of these data, the data is organized, arranged in relationship patterns, so that it will be easier to understand (Sugiyono, 2016).

c. Conclusion Drawing/verification

The third step in qualitative data analysis is the drawing of conclusions or verification. The initial conclusions put forward are still temporary, and will change if no strong evidence is found that supports it at the next stage of data collection (Sugiyono, 2016).

Thus the conclusions in qualitative research may be able to answer the formulation of the problem formulated from the beginning, but it may also not be, because as has been stated that the problems and problem formulations in qualitative research are still temporary and will develop after the researcher is in the field (Sugiyono, 2016). In qualitative research are new findings that have not previously existed. findings can be in the form of descriptions or images of an object that was previously dimly lit or dark so that after being studied it becomes clear, it can be a casual, or interactive relationship, hypothesis or theory (Sugiyono, 2016).

Result and Discussion

Debt repayment on account payable has a process consisting of several stages based on research that has been carried out during the fieldwork practice period at Hilton Bali Resort. These stages include:

- Receipt of Invoices and purchase order



Figure 1 Sample Invoices
Source: Hilton Bali Resort 2021

The receiving officer will receive the invoice that has been provided by the supplier where the invoice will be uploaded in the CSCM (Check Supply Chain Management) system and a copy in printed form will be combined with purchase order which has been made directly by the purchasing officer.



Figure 2 Purchase Order
Source: Hilton Bali Resort 2021

- Cost Commit Process

A copy of the invoice and purchase order that has been combined will be taken to cost control, which will be done cost commit. Cost commit is the process of adjusting the price of a printed invoice with an invoice that has been uploaded by the receiving on the previous CSCM system.

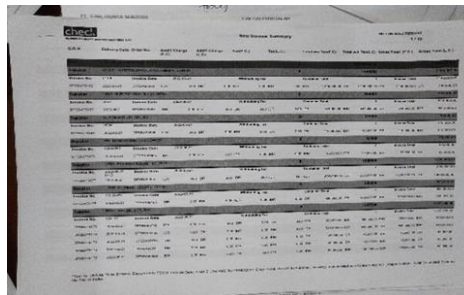


Figure 3 Results of a Cost Commit by a Cost Control Officer
Source: Hilton Bali Resort 2021

- Verification from the Payable Account officer



Figure 4 Verify Printed Invoices with Invoices contained in the CSCM system
Source: Hilton Bali Resort 2021

After going through the process cost commit and it is stated that it is in accordance with the printed invoice with the invoice uploaded on the CSCM, after which it will be verified by the officer account payable. Cost control will bring a hard copy of the cost commit in the form of a "New Invoice Summary" file to be manually checked with the invoice obtained from the supplier.

Then the officer account payable will take data from new invoice summary on CSCM which is then uploaded in sun system. Sun system is a system for entering, managing, and checking financial activities at Hilton Bali Resort. After the data is uploaded in sun system, several journal codes will appear that are divided into

types of suppliers such as food, beverages, engineering, preparations, and others. Then it will be printed as a file "Journal Listing with Analysis"

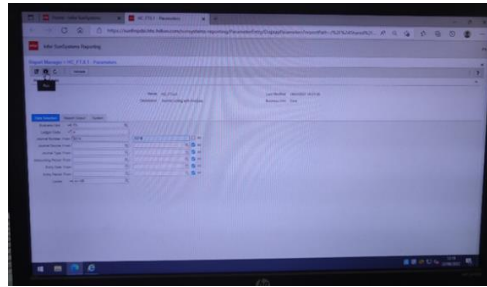


Figure 5 Journal Listing with Analysis
Source: Hilton Bali Resort 2021

- Examination and Approval

After obtaining a hard copy of journal listing with analysis, the file will be examined and signed by:

- 1) Account payable supervisor
- 2) Head akuntan
- 3) Assistant direktur akunting



Figure 6 Examination and Approval of the Chief Accountant
Source: Hilton Bali Resort 2021

- Generic Payment

After going through the inspection and being approved by the party concerned, the officer account payable will prepare invoices, purchase orders, and listing journals in order according to the date receipt of goods for the payment process. The payment process will be continued and processed through the Sun System using the payment Run feature by entering the date and name of the supplier for readjustment with a printed copy of the previous journal listing code.



Figure 7 Processes of preparing invoices, purchase orders, and listing journals in order
Source: Hilton Bali Resort 2021

Then, ask for approval from akuntan so that it can be continued to payment document which is one of the features of sun system. This payment document process will be carried out using the journal code that was previously carried out in the payment run. After all the payment document processes are carried out, the account payable officer will withdraw the remittance advise report. Remittance advice is proof of payment reports from the system that have been recorded and stored as document files.



Figure 8 Examples of Remittance Advice

Source: Hilton Bali Resort 2021

- Payment Methods

In this payment method, it will usually be done via internet banking or bank transfer to the supplier's account. However, there are some cases where payments will be made in cash under certain conditions. Here are two payment methods made by account payable Hilton Bali Resort, including:

- 1) Internet Banking or Bank Transfer

Payment will be adjusted to the nominal stated in the remittance advice which will be processed through internet banking Klik BCA. During the transfer process through the bank, proof of payment will be printed and will be authorized later. Then the payable account officer will prepare the payment overall documents for the approval and endorsement process of payments via internet banking by the payable account officer, asisten direktur akunting, direktur akunting, and general manager in order. After getting the last attestation from the general manager, the file will be scanned and stored in a folder as an archive.

- 2) Cash Payment

In the process of cash repayment, remittance advice, invoices, and purchase orders will be copied and then distributed to general cashier who will later give money according to nominal of remittance fee to the supplier.

On the other hand, in the payment process that is carried out there are several important points in reducing the excessive use of paper, including by using paper which on the one hand can still be used for print-out in the future. On the other hand, Hilton Bali Resort for previously used papers in the form of evidence or transaction records will be kept for up to 10 years and then will be destroyed if it has reached its time. Account payable has made efforts to support green practice in the Hilton Bali Resort environment, including:

- 1) The collection of creditor forms to suppliers is no longer required through hardcopy, but is collected through soft copy by email.
- 2) Completeness of payment data is sent via softcopy and will be stored in a file as a database.
- 3) The payment approval process uses the approval by computerize system, and makes it easier to track approvals.
- 4) The payer process that is carried out account payable has gone through sistem at the designated bank, does not use the bank deposit manual and minimizes the use of bank forms ufor deposits.

On the other hand, regarding the term of the debt payment contract to the supplier will be carried out once a month starting from the beginning to the end of the month. One example is Supplier X which has delivered goods eight times in October and the payment will be made in mid-November. Likewise, the enforcement is carried out to all suppliers who work with Hilton Bali Resort.

The following is a comparison of the debt repayment process carried out at one of the hotels, namely The Sahid Rich Jogja Hotel with Hilton Bali Resort as follows:

Table 1 Comparison of the debt payment process based on previous research journal sources with those at Hilton Bali Resort

No.	SOP The Rich Jogja Hotel	SOP Hilton Bali Resort
1	Payable Accounts receive original notes or invoices from suppliers at the beginning of the month on the 1st to 3rd.	Receiving receives the original note from the supplier and is sent to cost control for checking. Then it is sent to the Account Payable section
2	The Account Payable section checks the completeness of invoice data from suppliers including original invoices, tax invoices (if any), road letters (if any), receipts, and original PO	The Account Payable section checks the completeness of invoice data from suppliers including original invoices, tax invoices (if any), road letters (if any), receipts, and original PO
3	The Account Payable section makes proof of receipt for the supplier in two copies	Enter invoice data into the Sun System and the results are in print whose documents are referred to as Journal Listing
4	Receive a memorandum or invoice, Purchase Order (PO), Purchase Request (PR), and Receiving Report (RR) from the Receiving section	Then ask for approval from the Director of Accounting and will be checked again the Journal Listing that has been prepared.
5	Printing Aging to match invoice data from suppliers and Receiving	After the invoice is entered, it will then be categorized based on alphabetical order and the name of the invoice
6	Create a Payable Voucher which is then signed by the ACA, FC, and GM	Payment will be processed in the following month through 3 processes, namely payment run, payment document, and bank transfer
7	The Account Payable section makes a cheque or bilyet giro in accordance with the Payable Voucher that has been signed.	
8	Making a cheque list or bilyet giro that has been signed by the Owner is then handed over to the FC for follow-up	
9	Make payments to suppliers by transfer or deposit according to the agreement or due date	

Based on the explanation above, it can be concluded that there are some clear differences from the procedure for paying debts to Suppliers based on account payables from each hotel which refers to the regulations of each hotel.

After knowing the stages carried out in the process of paying debts on account payable based on the research that has been carried out an, then a comparison will be made between the Standards Operational Procedures for debt repayment on account payable at Hilton Bali Resort with actualization of processes carried out in the field.

There are several stages that must be carried out in the debt repayment process in accordance with the Payment Guidelines in accordance with FP-OPSFIN-140 as follows:

a. Receipt of Invoices & Purchase Orders

There are several points that must be done including:

- 1) Invoices must be paid in accordance with the negotiated payment requirements
- 2) If the invoice is not received electronically or by email, the hotel must mark or stamp the invoice according to the date it was received

b. Cost Commit Process

Before processing invoices for payment, the following verification procedure should be performed by cost control:

- 1) Invoice accuracy including hotel name and product supplier name
- 2) The correct amount according to the purchase order and delivery record/packing slip/receipt record of goods
- 3) Correct price
- 4) Correct taxes if applicable (applicable to some suppliers)
- 5) Discounted prices if applicable
- 6) Delivery records/packing slips/goods receipt records are attached and signed by the receiving team for properti that do not use the procurement system. For hotels with an electronic procurement system, invoices must be matched with goods received in the system which will then be processed for payment.

c. Verification from an Account Payable Officer

The verification carried out will be carried out by the officer account payable including re-examination of the list of invoices and adjusted to the date of creation of the invoice, examination of the nominal amount of money to be paid both from invoices printed with invoices that are in the system, and submission of approval to the supervisor for processing to the examination and approval stage of the superior.

d. Examination and Approval

Examination and Approval will be submitted and carried out by account payable supervisor, kepala akuntansi and asisten direktur akuntansi for further processing to stages of payment. If there is a discrepancy beyond this set threshold, the correct documentation must be obtained, and/or an additional purchase order must be submitted for the difference or the invoice must be approved by the leadership of accounting and operational pimipinan.

e. Generic Payment

The payment process will be carried out through sun system with the feature of payment runs which is carried out periodically as determined by the pimipinan keuangan. Before the payment is issued or released, the payment report must be endorsed by the financial lead. Prior to authorization, the following noted in the report and approval must be evidenced by signature and date.

- 1) The correct amount
- 2) The correct supplier name
- 3) Supplier bank details approve the invoice, if it is paid electronically
- 4) Invoices on hold if needed
- 5) Cash available

f. Payment Methods

Payment Methods consist of two methods, namely:

1) Internet Banking Klik BCA (Electronic payment)

Electronic payments will be adjusted to the invoice received and uploaded to the system before proceeding to the payment process to the supplier's account.

2) Cash Payment

Cash payments are usually made at the time of purchase and payment on the same day.

The following is a table showing the stages of the debt repayment process in an actual payable account to see how effective the debt repayment process is currently being carried out.

Table 2 Achievement of Standard Procedures for Payable Debt Payment at Hilton Bali Resort

No.	Standard Procedure	Hilton Bali Resort	
		Already Implemented	Not Yet Implemented
1	Receipt of Invoices & Purchase Orders	√	
2	Cost Commit Process	√	
3	Verification from an Account Payable Officer	√	
4	Examination and Approval	√	
5	Generic Payment	√	
6	Payment Methods	√	

Source: Hilton Bali Resort, 2021.

Based on the table above, it can be concluded that the stages carried out in the process of paying debts on *account payable* at Hilton Bali Resort are in accordance with the Prosedur Operational Standards issued by the Hilton company under rule number FP-OPSFIN-141. Each officer *account payable* is required to follow every point of the standard procedure for the process of repayment of the outstanding debt. In other words, the stages that have been carried out by researchers during the fieldwork practice period have been effective and can help the process of paying debts in *account payable* more efficient.

Conclusion

Based on the Results and Discussions that have been described in the previous chapter, the following conclusions can be drawn:

1. Each stage of the debt repayment process has been adjusted to the priorities and capabilities of the hotel on the *payable account* at Hilton Bali Resort. The *account payable department* has sought to follow the Standard Operating Procedures set by the Hilton Company, starting from the receipt of invoices and *purchase orders*, the *cost commit process*, verification from the *account payable officer*, checks and approvals, *generic payments*, and payment methods. In support of *green tourism*, *payable accounts* have also tried to do *sustainability* by requesting a creditor form to suppliers no longer required through hardcopy, but collected through soft copy by email. As well as the completeness of payment data sent via softcopy and will be stored in a file as a database. Also the payment approval process uses the approval system by computerize, and makes it easier to track approvals and the payment process carried out by payable accounts has gone through the system at the designated bank, does not use manual bank deposits and minimizes the use of bank forms for deposits.
2. Based on the results of research that has been carried out, all criteria in the process of paying debt payments on *payable accounts* have met the requirements and in accordance with the capital or Standard Operating Procedures issued by hilton companies with the rule number FP-OPSFIN-141. Thus, it can be concluded that the stages carried out have worked effectively in the process of implementingn.

Acknowledgment

The writers thank to the management of Hilton Bali Resort, International Journal of Glocal Tourism for publishing this article research and for my 2nd and 3rd examiners who have provided advice and suggestions regarding improvements in my research so that is research can be carried out properly.

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