

Doctoral Colloquium

DOC-05

**Internet Financial Reporting: Presentation Effect of Financial Information
Format on Investment Decision-Makers Performance
(Experimental Study in Indonesia Cases)**

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Abstract

The Increased use Internet in private, improving user access to online reporting of financial companies (Internet Financial Reporting-IFR). However until now, both in Indonesia (IAI, IDX, Bapepam) and international (IMF, IASB, IFAD, Web Trust, COB and FASB) regulations are not yet available to guide practice IFR. This phenomenon gave birth to the potential conflict of interest between parties who provide information and user information (Lymer et al., 1999).

This research is built to address the phenomenon of potential conflict of interest due to the absence of regulation, as well as user error in making the decision due to the presentation format of IFR. This research is to examine and propose the best technical design in the application of IFR based decision-making performance effectiveness. Technical design was used; use hyperlinks, file format, navigation system, the type of information presented as well as the size of the company. The theory of cognitive fit Vessey (1991) who assume that when used in accordance with design problems, the performance of decision-making will increase, used in this study.

Performance report users in making decisions is measured by the amount of information, decision time, decision accuracy, user perceptions, and effects diluasi. Five hypotheses are developed to answer the purposes of research. Experimental method to design 2 x 2 x 2 x 2 x 2 between subject five stages hierarchically nested design used in this study. Thus, in this study developed 32 designs IFR for each cell that was built in the design of experiments. The subjects of experiments used in this study are investors actually, because the votes will be able to give better results than the proxy to the student. Tasks (cases) in the experiment adopted while developing the task (case) used Kelton (2006). Two companies were selected from the Indonesian Stock Exchange (IDX), to represent large corporations and small companies, who were then asked to determine the amount of current income, profits prediksian and willingness to invest on the company. Furthermore, MANOVA is used as a statistical tool to test the proposed hypothesis.

Keywords: *Internet financial reporting, decision making*