

CHAPTER III

RESEARCH METHOD

A. Types of Research

Referring to the background, formulation of the problem and the theories that have been described previously, so the type of research used in this research is descriptive qualitative. According to O'Sullivan (2003:489), "qualitative research is a general term referring to research involving detailed, verbal description of characteristic, cases and setting. Qualitative research usually involves fewer cases investigated in more depth than quantitative research". Biber, Sharlene & Leavy (2004:1) stated that "qualitative research is a distinct field of inquiry that encompasses both micro-and macro analysis drawing on historical, comparative, structural, observational and interactional ways of knowing".

"If the research is concerned with finding out who, what, where, when, or how much, then the study is descriptive" (Cooper & Schindler, 2001:136). The use of descriptive research types because of the purpose of this research is to provide an overview of the internal control of salary disbursement applied by PDAM Tirta Dharma Situbondo .

Descriptive study is attempts to describe or define a subject, often by creating a profile of a group of problems, people, or events, through the collection of data and the tabulation of the frequencies on the research variables or their interaction; the study reveals who, what, when, where, or how much; the study concerns a uni-variate question or hypothesis in which the research asks about or states something about the size, form, distribution or existence of a variable (Cooper & Schindler, 2001:761).

It can be concluded from several definition above that the descriptive research is research that examines, review, and describe the empirical social phenomena theoretically. The research of this type provides only a certain overview associated in a systematic, factual and accurate overview of the actual situation. This research also intends to learn in particular object of research that is PDAM Tirta Dharma Situbondo , so this research include case study research. According to O'Sullivan (2003:484) "case study is a type of study in which a person, program, agency, or some other unit is analysis

examined in detailed”. Comparison is not usually made with other units having different values of the variables of interest. The purpose of this case study research is to investigate in depth about a particular subject so that it can provide a complete overview about a particular subject.

B. Research Focus

The important of research focus is to restrict the studies in research so that the objects to be studied are not too broad. Based on the description above, so the research focus of this research are:

1. Organizational Structure

The purpose in this case is to find out how the shape of organizational structure in relation to the job description on the company. Because looking at organizational structure it can be known the division of tasks and authority of the party that are responsible for their work. In the other side, it also shows the functions that are involved in the procedure of the salary disbursement procedures at PDAM Tirta Dharma Situbondo .

2. Procedures Analysis of Cash Disbursement

Research on centralization of cash disbursement procedures is used to find out and get an overview of the wages and salaries disbursement procedures applied by PDAM Tirta Dharma Situbondo .

3. Internal Control over Salary Disbursement Accounting System

Research on internal control over cash disbursement accounting system used to assess internal control conducted has been done or not corresponds to the elements of good internal control, so can support the effectiveness of internal control at PDAM Tirta Dharma Situbondo .

C. Research Site

Research site is a place where researchers captured the real conditions of the object under study. The author choose the research site at PDAM Tirta Dharma Situbondo , located on PB. Sudirman No. 02. The author is interested in choosing that sites with the following considerations:

1. PDAM Delta Tirta Situbondo is a leading and famous public government in Indonesia.

2. The author would like to deepen knowledge about the accounting system of cash disbursement, especially in centralized cash disbursement procedures and want to know whether the implementation of cash disbursement accounting systems has supported the effectiveness of internal control at PDAM Delta Tirta Situbondo .

D. Data Sources

Sources containing research information can be classified according to whether a source is primary or secondary. In this research, PDAM Delta Tirta Situbondo is as the data source.

1. Primary data

“Primary data is original research where the data being collected are designated specifically to answer the research question” (Cooper & Schindler, 2001:769). According to Bordens & Abboott (2005:61):

A primary source is containing the full research report, including all details necessary to duplicate the study. A primary source includes descriptions of the rationale of the study. A primary source includes descriptions of the rationale of the study, its subjects, apparatus, procedure, results, and references.

Sources of primary data in this research were interviews and observations with the parts that are involved in cash disbursement activity.

2. Secondary data

“Secondary data is studies done by others and for different purposes than for which the data are being reviewed. Secondary sources are interpretations of primary data generally without new research” (Cooper & Schindler, 2001:772). According to Bordens & Abboott (2005:61):

A secondary source is one that summarized information from primary sources (such as presenting the basic findings). Secondary sources of research include review papers and theoretical articles that briefly describe studies and results, as well as descriptions of research found in textbooks, popular magazines, newspaper articles, television programs, films, or lectures.

Secondary data sources obtained from the documents (forms) and the accounting records used in cash disbursement accounting system.

E. Data Collection Techniques

Data used to conduct this research was obtained from the company which the data collections techniques carried out by the author are as follows:

1. Interview

Interview technique is a conversation with a specific intent by two parties, namely the interviewer as complainants or ask the questions and the interviewee as provider of answers to that questions”

2. Observation

Observation is the full range of monitoring behavioral and non behavioral activities and conditions (including record analysis, physical condition analysis, physical process analysis, nonverbal analysis, linguistic analysis, extra-linguistic analysis, and spatial analysis) (Cooper & Schindler, 2001:768).

3. Documentation

Documentation technique is a way of collecting data that obtain important records related to the problem under study, so it will obtain complete data, legitimate and not based on estimates and are used to collect data that is already available in document records. In this document are shown in the collection of documents, reports and company records relating to the data needed to be further investigated. The data obtained from these documents are the organizational structure, job description, and also the procedures of cash disbursement on PDAM Delta Tirta Situbondo.

F. Research Instrument

Research instrument used to explore data needed are the tools used in research, so that these activities become systematic and efficient. In this research, instruments used are:

1. Interview Guidelines

Interview is proposed to PDAM Delta Tirta Situbondo in the form of list of questions posed to informants of research. It is useful to mobilize the research to search data.

2. Observation Guidelines

Observation guidelines are guidelines that contain a variety of things that must be observed, recorded and noted, and used to obtain the data of observations

3. Documentation Guidelines

Documentation guidelines are a list that contains the standards or guidelines in tracing a document. The author use official documents from PDAM Delta Tirta Situbondo in accordance with the issues under research.

G. Data Analysis

In this research, data analysis method used is qualitative analysis. Methods of qualitative analysis carried out by adjusting the existing data and then make the descriptive and also make interpretation to create an overview that depicts systematic, factual and accurate information about the facts that exist. Through data analysis, it is expected that data obtained can provide useful information that can help to solve the problem in this research, whereas the purpose of data analysis is to restrict the findings of the data so that become organized, structured, and meaningful data in implementing the cash disbursement system and procedures.

The data that have been collected by the author will be further analyzed so that it becomes useful information. The steps in data analysis in this research are:

1. Analyzing of salary disbursement procedures applied by PDAM Delta Tirta Situbondo which includes document used, related function, and the procedures, so can assess whether the accounting system used has already done or not accordance with a proper wages and salaries disbursement accounting system.