

Research Article

Determinants of SME Financial Performance in the Digital Transformation Era: The Role of Accounting Digitalization, Accounting Information Systems, and Financial Applications

Andi Riska Andreani^{1*}, Amiruddin Yunus², Asri Usman³, Wahyuni Saleh⁴, Syafaruddin⁵

¹ Universitas Muhammadiyah Sidenreng Rappang, Makassar, South Sulawesi, Indonesia

^{2,3} Universitas Hasanuddin, Makassar, South Sulawesi, Indonesia

⁴ Universitas Bosowa, Makassar, South Sulawesi, Indonesia

⁵ STIA Yappi Makassar, South Sulawesi, Indonesia

* Corresponding Author : riska.andreani93@gmail.com

Abstract: Digital transformation has fundamentally altered the financial management landscape for Micro, Small, and Medium Enterprises (SMEs) in Indonesia. However, there remains an empirical gap regarding how significantly accounting digitalization, accounting information systems (AIS), and digital financial applications jointly affect SME financial performance, particularly in Makassar City. This study analyzes the effects of accounting digitalization (X_1), accounting information systems (X_2), and financial application/website usage (X_3) on SME financial performance (Y), both partially and simultaneously. A quantitative cross-sectional survey approach was employed with 120 respondents selected using purposive sampling among SMEs in Makassar City that had adopted at least one digital financial management tool. Data were analyzed through validity and reliability tests, classical assumption tests, multiple linear regression, F-test, t-test, and coefficient of determination using IBM SPSS Statistics 26. The F-test revealed that the three independent variables simultaneously and significantly affect SME financial performance ($F = 61.847$; $\text{sig.} = 0.000$). Partially, accounting digitalization ($\beta = 0.358$; $t = 3.931$; $\text{sig.} = 0.000$), accounting information systems ($\beta = 0.283$; $t = 3.053$; $\text{sig.} = 0.003$), and financial application/website usage ($\beta = 0.239$; $t = 2.852$; $\text{sig.} = 0.005$) each positively and significantly affect SME financial performance. The coefficient of determination ($R^2 = 0.615$) indicates the three variables explain 61.5% of SME financial performance variation. Accounting digitalization is the strongest predictor of SME financial performance, followed by AIS and financial application usage. Policy implications include the urgency of digital accounting literacy training and technology infrastructure support for SME owners.

Keywords: Accounting Digitalization; Accounting Information Systems; Digital Financial Applications; Financial Performance; SME; Multiple Regression

Received: February 10, 2026

Revised: March 10, 2026

Accepted: April 14, 2026

Published: May 12, 2026

Curr. Ver.: June 10, 2026



Copyright: © 2025 by the authors.
Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (<https://creativecommons.org/licenses/by-sa/4.0/>)

1. Introduction

Micro, Small, and Medium Enterprises (SMEs) are the backbone of the Indonesian economy. Based on data from the Ministry of Cooperatives and SMEs (2023), SMEs contribute 60.5% to national GDP and absorb 96.9% of Indonesia's labor force. In South Sulawesi, SMEs contribute approximately 58.3% to the provincial RGDP, with Makassar City as the epicenter of this sector's growth. Despite this substantial macroeconomic contribution, the majority of SMEs continue to face fundamental challenges in structured, accurate, and data-driven financial management.

One of the chronic problems of SMEs is the weakness in financial governance, including unsystematic transaction recording, inability to prepare accountable financial reports, and the absence of planned budgeting systems. A Bank Indonesia survey (2022) found that only

37.2% of Indonesian SMEs maintain financial records separate from the owner's personal finances, and only 14.8% can prepare financial reports in accordance with applicable accounting standards. This directly hampers SME access to formal financing, narrows strategic planning capacity, and weakens business resilience against economic shocks.

Within this context, the Industry 4.0 Revolution and the acceleration of digital transformation post-COVID-19 pandemic present transformative opportunities for SMEs through the adoption of digital accounting technology. Accounting digitalization — encompassing the use of accounting software, cloud-based platforms, and mobile financial applications — offers transaction recording efficiency, real-time reporting accuracy, and financial analytics capabilities previously accessible only to large enterprises (Qasim & Kharbat, 2020). Platforms such as BukuKas, BukuWarung, Jurnal.id, and Accurate Online have actively introduced accounting digitalization to the Indonesian SME segment with user-friendly interfaces and affordable subscription costs.

Accounting Information Systems (AIS) constitute a core component of the digital accounting ecosystem. Effective AIS enables integration of transaction data from multiple sources, automated processing, and generation of accurate, timely financial reports — attributes that directly support the quality of managerial decision-making (Romney & Steinbart, 2021). Furthermore, financial application usage represents the most accessible manifestation of accounting digitalization for SMEs, proven to increase the speed and accuracy of transaction recording, reduce human error, and facilitate automatic financial reconciliation.

Despite its substantial potential, empirical research that integrates the analysis of accounting digitalization, AIS, and financial application usage on SME financial performance — particularly in the local context of Makassar and South Sulawesi — remains very limited (Pradana et al., 2022; Suryani & Herianti, 2021). This research gap motivates the present study.

The research objectives are: (1) to analyze the partial effect of accounting digitalization on SME financial performance; (2) to analyze the partial effect of AIS on SME financial performance; (3) to analyze the partial effect of financial application/website usage on SME financial performance; and (4) to analyze the simultaneous effect of all three variables on SME financial performance in Makassar City.

2. Related Work and Theoretical Framework

Theoretical Foundations

Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM), introduced by Davis (1989) and subsequently extended by Venkatesh et al. (2003), is the most widely used theoretical framework for understanding factors determining information technology acceptance and use. TAM postulates that technology use behavior is determined by two primary constructs: perceived usefulness — the extent to which individuals believe that using a specific technology will improve their performance — and perceived ease of use — the extent to which individuals believe that using the technology does not require excessive effort. In this study's context, TAM explains how SME owners' perceptions of the usefulness and ease of accounting digitalization, AIS, and financial applications shape actual usage intentions and behavior that ultimately impact financial performance.

Resource-Based View (RBV)

The Resource-Based View (RBV), developed by Barney (1991) and Penrose (1959), views the firm as a bundle of heterogeneous resources that are not fully transferable. Sustained competitive advantage stems from ownership of resources that are Valuable, Rare, Inimitable, and Non-substitutable (VRIN). In the SME digitalization context, digital accounting technology capabilities — encompassing hardware, software, human resource skills, and digitalized business processes — can be conceptualized as strategic resources meeting VRIN criteria, as they are unique (developed through specific organizational learning), difficult to imitate (requiring significant time and human resource investment), and create valuable analytical capabilities for financial decision-making.

Variable Review

Accounting Digitalization

Accounting digitalization is defined as the process of transforming accounting recording, reporting, and data management systems from manual or semi-manual methods toward the use of integrated digital technology (Qasim & Kharbat, 2020). Dimensions include: (a) use of computer-based or cloud accounting software; (b) automated transaction recording; (c) digitalization of financial documentation and records; (d) integration of

digital payment systems; and (e) utilization of financial data analytics. In the Indonesian SME context, accounting digitalization often begins with simple applications such as BukuKas or Microsoft Excel before evolving to more comprehensive platforms such as Accurate Online or Jurnal.id.

Accounting Information Systems (AIS)

An Accounting Information System (AIS) is defined as a system that collects, stores, processes, and communicates economically relevant data to decision-makers within and outside the organization (Romney & Steinbart, 2021). AIS quality is measured based on system quality, information quality, and service quality dimensions referring to the DeLone & McLean (2003) model. High-quality AIS directly enhances the relevance, reliability, and timeliness of generated financial information, supporting better decisions and, consequently, superior financial performance.

Financial Application/Website Usage

Financial applications and websites are digital instruments specifically designed to facilitate efficient and accurate financial management through smartphone or browser-accessible interfaces. In the Indonesian SME ecosystem, these include: (a) daily transaction recording applications (BukuKas, BukuWarung, Kasir Pintar); (b) comprehensive online accounting platforms (Jurnal.id, Accurate Online, Zahir Online); (c) cash management and reconciliation applications (Xendit, Midtrans); and (d) integrated digital banking platforms providing automatic bookkeeping features. Usage intensity and quality are measured through frequency of use, feature suitability, user satisfaction, and perceptual impact on financial operational efficiency (Bhattacharjee, 2019).

SME Financial Performance

Financial performance refers to the measure of a business entity's ability to achieve established financial objectives, typically measured through profitability indicators (ability to generate profit), liquidity (ability to meet short-term obligations), solvability (ability to meet long-term obligations), and revenue growth (Fahmi, 2020). Given the limitations of formal financial reporting among most SMEs, this study adopts a perceptual measurement approach encompassing: revenue growth, timely payment capacity, emergency fund availability, working capital adequacy, expenditure efficiency, and overall financial condition satisfaction.

Prior Research

Several relevant studies have been conducted relating to the variables in this research. Pradana et al. (2022) found that digital accounting application usage positively and significantly affects SME financial report quality ($\beta = 0.412$; $p < 0.001$). Suryani and Herianti (2021) proved that AIS implementation positively affects SME managerial performance with a coefficient of determination of 54.3%. Wahyuni et al. (2023) found that digital financial transformation significantly increases SME access to formal financing, indirectly contributing to improved financial performance. Tambunan (2019) concluded that SMEs adopting information technology show revenue growth 23.7% higher than conventional SMEs over a 3-year period. Saragih and Munandar (2023) confirmed accounting digitalization positively impacts SME financial performance in Indonesia ($\beta = 0.347$; $\text{sig.} = 0.000$).

Hypotheses

- H1: Accounting digitalization positively and significantly affects SME financial performance.
- H2: Accounting information systems positively and significantly affect SME financial performance.
- H3: Financial application/website usage positively and significantly affects SME financial performance.
- H4: Accounting digitalization, AIS, and financial application usage simultaneously and significantly affect SME financial performance.

3. Materials and Method

Research Design

This study employs a quantitative approach with an explanatory cross-sectional survey design, aimed at explaining causal relationships between variables through statistical hypothesis testing. The cross-sectional design was chosen as data collection is conducted at a single time point, efficiently portraying the actual conditions of digital accounting technology adoption and SME financial performance during the study period (Creswell & Creswell, 2018).

Population and Sample

The study population comprises all active SMEs in Makassar City that have used at least one digital technology instrument for financial management. Based on data from the Makassar City Department of Cooperatives and SMEs (2023), there are 42,317 active SME units, with an estimated 35% (approximately 14,811 units) having adopted digital technology for financial operations. Purposive sampling was used with inclusion criteria: (a) operational duration of at least 1 year; (b) annual revenue below IDR 4.8 billion (per SME classification in Government Regulation No. 7/2021); (c) use of at least one digital application or platform for financial management in the past 6 months; and (d) owner/manager willing to participate.

Sample size was determined using the Slovin formula with a 9% margin of error yielding $n \geq 119$. Accounting for questionnaire dropout, a target of 125 respondents was set, yielding a valid sample of 120 respondents after data completeness verification.

Operational Variable Definition

Table 1 presents the operational definitions, measurement scales, and number of questionnaire items for each research variable.

Table 1. Operational Definition of Research Variables

Variable	Role	Operational Definition	Measurement	Items
Accounting Digitalization (X ₁)	IV	Use of digital technology in the process of recording, reporting, and managing SME accounting data	Likert scale 1–5 (Strongly Disagree – Strongly Agree)	5
Accounting Information System (X ₂)	IV	System that collects, stores, and processes financial data to produce accounting information for managerial decision-making	Likert scale 1–5	5
Financial App/Website Usage (X ₃)	IV	Intensity and quality of digital application or web-based platform utilization for SME financial management	Likert scale 1–5	4
SME Financial Performance (Y)	DV	SME capacity to achieve financial targets, encompassing profitability, liquidity, and revenue growth measured perceptually	Likert scale 1–5	6

Source: Adapted from Romney & Steinbart (2021), Davis (1989), Fahmi (2020), and Qasim & Kharbat (2020). IV = Independent Variable; DV = Dependent Variable; AIS = Accounting Information System.

Research Instrument

The research instrument is a structured questionnaire consisting of two parts: (a) Part I contains respondent profile questions; (b) Part II contains 20 structured statement items measuring the four research variables (X₁: 5 items, X₂: 5 items, X₃: 4 items, Y: 6 items) using a 5-point Likert scale. Before use in the main data collection, a pilot test of 30 respondents with similar characteristics was conducted to verify construct validity and internal consistency reliability of each variable.

Data Collection Technique

Primary data collection was conducted through: (a) online questionnaires via Google Form distributed through social media (WhatsApp Business, Instagram SME communities); and (b) printed questionnaires distributed directly at SME centers, modern traditional markets, and shopping centers in Makassar City with the assistance of 5 trained enumerators. Secondary data were obtained from the Makassar City Department of Cooperatives and SMEs, Statistics Indonesia South Sulawesi, and Bank Indonesia South Sulawesi Representative Office.

Data Analysis

All analysis stages were conducted using IBM SPSS Statistics version 26. Analysis stages include: (1) Instrument quality tests: Validity Test using Pearson Product Moment correlation ($r\text{-calc} > r\text{-table} = 0.361$, $n=30$, $\alpha=5\%$), and Reliability Test using Cronbach's Alpha ($\alpha > 0.700$); (2) Classical assumption tests: Normality (Kolmogorov-Smirnov, Asymp. Sig.

> 0.05), Multicollinearity ($VIF < 10$; Tolerance > 0.1), Heteroscedasticity (Glejser, Sig. > 0.05), and Autocorrelation (Durbin-Watson, $dU < DW < 4-dU$); (3) Multiple linear regression: $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$; (4) Hypothesis testing: F-test (simultaneous), t-test (partial), and coefficient of determination (R^2)

4. Results and Discussion

Respondent Characteristics

Table 2 presents the distribution of demographic characteristics and business profiles of 120 respondents.

Table 2. Respondent Characteristics (n = 120)

Characteristic	Category	n	%
Gender	Male	52	43.3%
	Female	68	56.7%
Age	< 30 years	28	23.3%
	30–40 years	54	45.0%
	> 40 years	38	31.7%
Education	Senior High School	45	37.5%
	Diploma/Bachelor	58	48.3%
	Master/Doctorate	17	14.2%
Business Duration	< 2 years	20	16.7%
	2–5 years	55	45.8%
	> 5 years	45	37.5%
Business Type	Trade	48	40.0%
	Manufacturing	32	26.7%
	Services	28	23.3%
	Food & Beverage	12	10.0%
Annual Revenue	< IDR 300 Million	42	35.0%
	IDR 300M – IDR 1B	55	45.8%
	> IDR 1 Billion	23	19.2%
Total		120	100%

Source: Primary data processed (2025).

The majority of respondents are female (56.7%), reflecting the dominance of women in the Indonesian SME sector, consistent with BPS national survey findings (2022). The 30–40 age group is the largest (45.0%), representing a generation relatively familiar with digital technology while having mature business experience. The Diploma/Bachelor education level dominates (48.3%), indicating relatively adequate digital literacy among respondents. Most SMEs (45.8%) have been operating for 2–5 years, indicating a relatively stable growth stage requiring strengthened managerial capacity. The trade sector dominates (40.0%), followed by small-scale manufacturing (26.7%). Revenue distribution shows that 45.8% of respondents are in the small enterprise category (IDR 300 million – IDR 1 billion annually).

Validity and Reliability Tests**Table 3.** Validity and Reliability Test Results

Item	Variable	r-calc	r-table (n=30)	Validity	Cronbach's α	Reliability	✓
X1.1	Accounting Digitalization (X ₁)	0.812	0.361	Valid	—	—	✓
X1.2		0.854	0.361	Valid	—	—	✓
X1.3		0.831	0.361	Valid	0.856	Reliable	✓
X1.4		0.798	0.361	Valid	—	—	✓
X1.5		0.820	0.361	Valid	—	—	✓
X2.1	AIS (X ₂)	0.842	0.361	Valid	—	—	✓
X2.2		0.819	0.361	Valid	—	—	✓
X2.3		0.863	0.361	Valid	0.871	Reliable	✓
X2.4		0.835	0.361	Valid	—	—	✓
X2.5		0.857	0.361	Valid	—	—	✓
X3.1	Financial App/Web (X ₃)	0.876	0.361	Valid	—	—	✓
X3.2		0.843	0.361	Valid	0.848	Reliable	✓
X3.3		0.819	0.361	Valid	—	—	✓
X3.4		0.852	0.361	Valid	—	—	✓
Y.1	Financial Performance (Y)	0.823	0.361	Valid	—	—	✓
Y.2		0.845	0.361	Valid	—	—	✓
Y.3		0.861	0.361	Valid	0.879	Reliable	✓
Y.4		0.837	0.361	Valid	—	—	✓
Y.5		0.819	0.361	Valid	—	—	✓
Y.6		0.852	0.361	Valid	—	—	✓

Source: Primary data processed, SPSS 26, pilot test n=30 (2025).

All 20 items yield r-calculated values exceeding r-table (0.361), with r-calculated values ranging from 0.798 to 0.876. All items are declared statistically valid. Cronbach's Alpha values for the four variables range from 0.848 to 0.879, all exceeding the acceptable reliability threshold ($\alpha > 0.700$) and falling in the high reliability category ($\alpha > 0.800$), confirming excellent internal consistency. The instrument is declared valid, reliable, and suitable for main data collection.

Classical Assumption Tests**Table 4.** Classical Assumption Test Results

Test	Method	Result	Criterion	Conclusion
Normality	Kolmogorov-Smirnov	Asymp. Sig. = 0.127	Sig. > 0.05	Normal residuals ✓
Multicollinearity	VIF & Tolerance	VIF: X ₁ =1.823; X ₂ =1.947; X ₃ =1.765	VIF<10; Tol>0.1	No multicollinearity ✓

Test	Method	Result	Criterion	Conclusion
Heteroscedasticity	Glejser Test	Sig: X ₁ =0.312; X ₂ =0.287; X ₃ =0.394	Sig. > 0.05	Homoscedastic ✓
Autocorrelation	Durbin-Watson	DW = 2.014	dU < DW < 4-dU	No autocorrelation ✓

Source: Primary data processed, SPSS 26 (2025).

All classical assumption prerequisites are satisfied: (1) Residuals are normally distributed (KS Asymp. Sig. = 0.127 > 0.05); (2) No multicollinearity (VIF < 10, Tolerance > 0.1 for all variables); (3) No heteroscedasticity (Glejser Sig. > 0.05 for all variables); (4) No autocorrelation (DW = 2.014 within safe interval 1.746–2.254). With all classical assumptions satisfied, the multiple linear regression model estimates are BLUE (Best Linear Unbiased Estimator).

Multiple Linear Regression and Hypothesis Testing

Table 5. Multiple Linear Regression and t-Test Results

Variable	B	Std. Err.	β	t	Sig.	Decision	Result
(Constant)	3.214	1.187	—	2.707	0.008	—	—
Accounting Digitalization (X ₁)	0.342	0.087	0.358	3.931	0.000	H₁ Accepted	Sig.(+)
Accounting Info. System (X ₂)	0.287	0.094	0.283	3.053	0.003	H₂ Accepted	Sig.(+)
Financial App/Website (X ₃)	0.231	0.081	0.239	2.852	0.005	H₃ Accepted	Sig.(+)

R = 0.784 | R² = 0.615 | Adj. R² = 0.606 | F = 61.847 | Sig.F = 0.000

Source: Primary data processed, SPSS 26 (2025). Dependent Variable: SME Financial Performance (Y). Sig.(+) = Positive and Significant.

Based on the estimation results, the multiple linear regression equation is:

$$Y = 3.214 + 0.342X_1 + 0.287X_2 + 0.231X_3 + \epsilon$$

The coefficient of determination R² = 0.615 indicates that the three independent variables jointly explain 61.5% of SME financial performance variation in Makassar City, while the remaining 38.5% is explained by factors outside the model. Adjusted R² = 0.606 confirms that the model maintains good predictive power after correcting for the number of predictor variables.

Table 6. F-Test Results (ANOVA)

Model	df	Sum of Squares	Mean Square	F	Sig.
Regression	3	847.321	282.440	61.847	0.000
Residual	116	529.871	4.568	—	—
Total	119	1377.192	—	—	—

Source: Primary data processed, SPSS 26 (2025). Dependent Variable: SME Financial Performance (Y).

Discussion

Simultaneous Effect — H₄

The F-test yields F = 61.847 with significance 0.000 (p < 0.001), far exceeding F-table (F_{0.05; 3; 116} = 2.682). H₄ is accepted. This confirms that a comprehensive digital accounting ecosystem — not partial technology adoption — generates the most substantial performance impact. This finding is consistent with the RBV argument that complementary digital capabilities collectively create more valuable resources than each capability

individually (Barney, 1991). The $R^2 = 0.615$ is consistent with similar SME digitalization studies in the Indonesian context (Saragih & Munandar, 2023).

Effect of Accounting Digitalization on Financial Performance — H₁

Accounting digitalization yields the highest standardized regression coefficient ($\beta = 0.358$; $t = 3.931$; $\text{sig.} = 0.000$), making it the strongest financial performance predictor. H₁ is accepted. Each one-unit increase in accounting digitalization score is associated with a 0.342-unit increase in financial performance, *ceteris paribus*. Transaction recording automation dramatically reduces human error; real-time financial reports enable faster managerial responses to business condition changes; and automatic reconciliation saves time previously devoted to manual administrative tasks — time that can then be allocated to productive and strategic activities. This finding aligns with Pradana et al. (2022) and is consistent with TAM theory where high perceived usefulness of accounting digitalization reflects that SMEs consistently experience real benefits in operational efficiency and financial information quality.

Effect of AIS on Financial Performance — H₂

AIS shows a positive and significant effect on SME financial performance ($\beta = 0.283$; $t = 3.053$; $\text{sig.} = 0.003$). H₂ is accepted. From the DeLone & McLean (2003) model perspective, AIS system quality, information quality, and service quality collectively determine user satisfaction that ultimately implies net business benefits. For SMEs, these benefits manifest in: reduced financial administration costs, improved cash flow estimation accuracy, better identification of inefficient expenditure items, and increased lender confidence in SME financial reports — opening broader access to formal financing. This finding is consistent with Suryani and Herianti (2021).

Effect of Financial App/Website Usage on Financial Performance — H₃

Financial application/website usage yields a positive and significant coefficient ($\beta = 0.239$; $t = 2.852$; $\text{sig.} = 0.005$), confirming H₃. Although the smallest beta coefficient among the three predictors, its effect remains statistically and practically meaningful. The difference in coefficient magnitude can be interpreted in the context of complexity and integration depth hierarchy: accounting digitalization and AIS reflect more fundamental and comprehensive transformation of entire financial processes, while financial application usage — though having real impact — tends to be a more partial entry point not always fully integrated with the entire accounting process chain. Ease of use of mobile financial applications drives adoption even among SMEs with limited digital literacy, consistent with TAM's perceived ease of use construct (Davis, 1989). This finding corroborates Fitriyah and Puspitasari (2023) who confirmed that BukuKas application usage in Makassar significantly enhances SME financial awareness and accuracy.

5. Comparison with Prior Studies

This study's findings are consistent with and extend the existing body of evidence on accounting digitalization and SME financial performance. The $R^2 = 0.615$ achieved in this study is comparable to Suryani and Herianti (2021) ($R^2 = 0.543$) and exceeds single-variable studies, demonstrating the additive explanatory power of the three-variable integrative model. Accounting digitalization as the strongest predictor ($\beta = 0.358$) is consistent with Pradana et al. (2022) and Saragih and Munandar (2023) across different Indonesian regional contexts. The moderate but significant effect of financial application usage ($\beta = 0.239$) corroborates Fitriyah and Puspitasari (2023) in the Makassar context, providing local empirical validation. The simultaneous significant effect ($F = 61.847$) further supports the RBV framework that an ecosystem of complementary digital capabilities generates superior performance outcomes compared to isolated technology adoption.

6. Conclusion

Based on the results of multiple linear regression analysis of 120 SMEs in Makassar City, this study yields four main conclusions: Accounting digitalization (X₁) positively and significantly affects SME financial performance ($\beta = 0.358$; $t = 3.931$; $\text{sig.} = 0.000$) and is the strongest predictor in the model. H₁ accepted. Accounting information systems (X₂) positively and significantly affect SME financial performance ($\beta = 0.283$; $t = 3.053$; $\text{sig.} = 0.003$). H₂ accepted. Financial application/website usage (X₃) positively and significantly affects SME financial performance ($\beta = 0.239$; $t = 2.852$; $\text{sig.} = 0.005$). H₃ accepted. Simultaneously, all three independent variables significantly affect SME financial performance ($F = 61.847$; $\text{sig.} = 0.000$; $R^2 = 0.615$), explaining 61.5% of its variation. H₄ accepted.

Policy implications include: (a) integrating digital financial literacy training in regular SME development programs; (b) providing fiscal incentives or subscription subsidies for digital accounting platforms for micro SMEs; (c) facilitating partnerships between local financial application providers and SME communities; and (d) developing digital financial literacy curricula in SME development programs in South Sulawesi.

This study's cross-sectional single-context limitation calls for future longitudinal research, expanded geographic scope to other cities in South Sulawesi, and inclusion of mediating variables such as managerial decision quality and formal financing access.

Author Contributions: A.R.A.: Conceptualization, data collection, original draft preparation. A.Y.: Supervision, methodology, correspondence, review and editing. A.U.: Conceptual validation, critical review. W.S.: SPSS data analysis, result interpretation, review. S.: Administration, literature review, writing. All authors have read and agreed to the final version of this manuscript.

Funding: This research received no external funding.

Data Availability Statement: The data supporting the reported results are available from the corresponding author upon reasonable request and with institutional approval.

Acknowledgments: The authors gratefully acknowledge the SME owners of Makassar City who participated in this study, the Makassar City Department of Cooperatives and SMEs for data facilitation, and Bank Indonesia South Sulawesi Representative Office for secondary data support.

Conflicts of Interest: The authors declare no conflict of interest.

References

- Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99–120. <https://doi.org/10.1177/014920639101700108>
- Bhattacharjee, A. (2019). Understanding information systems continuance: An expectation-confirmation model. *MIS Quarterly*, 25(3), 351–370. <https://doi.org/10.2307/3250921>
- Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319–340. <https://doi.org/10.2307/249008>
- DeLone, W. H., & McLean, E. R. (2003). The DeLone and McLean model of information systems success: A ten-year update. *Journal of Management Information Systems*, 19(4), 9–30. <https://doi.org/10.1080/07421222.2003.11045748>
- Fahmi, I. (2020). *Financial performance analysis* (4th ed.). Alfabeta.
- Fitriyah, N., & Puspitasari, D. (2023). The effect of BukuKas application usage on SME financial awareness and accuracy in Makassar. *Jurnal Akuntansi dan Keuangan Indonesia*, 20(1), 45–62. <https://doi.org/10.21002/jaki.2023.03>
- Gunawan, A., & Rambe, P. (2021). The effect of accounting information systems on the performance of SMEs in Indonesia. *International Journal of Economics, Commerce and Management*, 9(3), 112–127.
- Hendarjatno, H., Kusuma, H. W., & Mulyo, S. A. (2022). The effect of financial digitalization on SME performance in the new normal era. *Jurnal Riset Akuntansi dan Keuangan Indonesia*, 7(2), 88–102. <https://doi.org/10.23917/reaksi.v7i2.18543>
- Ministry of Cooperatives and SMEs. (2023). Development data of micro, small, medium, and large enterprises 2022–2023. Ministry of Cooperatives and SMEs of the Republic of Indonesia.
- Penrose, E. T. (1959). *The theory of the growth of the firm*. Basil Blackwell.
- Pradana, M., Wardhana, A., Ratno, A., & Rizal, M. (2022). The effect of digital accounting application usage on SME financial report quality in Central Java. *Jurnal Riset Akuntansi dan Perpajakan*, 9(1), 37–52. <https://doi.org/10.35838/jrap.v9i1.2261>
- Qasim, A., & Kharbat, F. F. (2020). Blockchain technology, business data analytics, and artificial intelligence: Use in the accounting profession and ideas for inclusion into the accounting curriculum. *Journal of Emerging Technologies in Accounting*, 17(1), 107–117. <https://doi.org/10.2308/jeta-52649>
- Romney, M. B., & Steinbart, P. J. (2021). *Accounting information systems* (15th ed.). Pearson Education.
- Saragih, A. H., & Munandar, A. (2023). The impact of accounting digitalization on SMEs' financial performance: Evidence from Indonesia. *Asian Journal of Accounting Research*, 8(2), 146–162. <https://doi.org/10.1108/AJAR-07-2022-0195>

- Suryani, T., & Herianti, E. (2021). The effect of accounting information systems on SME managerial performance in Jakarta. *Jurnal Akuntansi, Audit, dan Sistem Informasi Akuntansi*, 5(2), 214–229.
- Tambunan, T. T. H. (2019). MSMEs and financial inclusion: Empirical evidence from Indonesia. *International Journal of Innovation, Creativity and Change*, 7(11), 1–28.
- Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. (2003). User acceptance of information technology: Toward a unified view. *MIS Quarterly*, 27(3), 425–478. <https://doi.org/10.2307/30036540>
- Wahyuni, N. I., Setiawan, M. A., & Kurniawan, A. (2023). Digital financial transformation and SMEs' access to formal credit: Empirical evidence from Eastern Indonesia. *Journal of Financial Economics Policy*, 15(2), 178–196. <https://doi.org/10.1108/JFEP-03-2022-0071>