



The Role of Accounting Information Systems as Business Strategy at Madiun City

Halleina Rejeki Putri Hartono^{1*}, Ridho Muarief², La Ode Abdullah³, Nova Maulud Widodo⁴, Yana Dwi Christanti⁵, Yudha Nauval Prastyanika Putra⁶

¹⁻⁶ Politeknik Negeri Madiun, Indonesia

Address: Jl. Serayu No.84, Pandean, Taman, Pandean, Taman District, Madiun City, East Java 63133

Author correspondence: halleina@pnm.ac.id

Abstract. *This study aims to determine the implications of accounting information systems (AIS) as a business strategy for SMEs in Madiun City. Economic digitalization has a major effect on SMEs. One of the implications (Angelina Wijaya Tan et al., 2024) of this economic digitalization is the transformation carried out by SME actors into the digital era, including the use of Accounting Information Systems (AIS). Efficiency is needed by SMEs in order to keep up with the changing times. The use of this AIS can improve the reporting process and business processes carried out by SMEs. Another advantage (Ari Rohmana & Hwihanus Hwihanus, 2023) of using this AIS is to avoid recording errors and reduce waste. It can be seen that AIS has an important role in the business processes carried out by SMEs. The research method used is qualitative research. The respondents used were SMEs in Madiun City.*

Keywords: *accounting, accounting systems, small and medium-sized enterprises*

1. INTRODUCTION

Small and medium-sized enterprises (SMEs) has an important role for Indonesia. The Indonesian economy is supported by SMEs. This is evident (Kadin, 2023) in the number of SMEs that contribute 61% of Indonesia's Gross Domestic Product (GDP), equivalent to Rp9,580 trillion. These SMEs are capable of absorbing 117 million workers (97%) of the total workforce.

SMEs in achieving their goals certainly face various challenges at present. SMEs in Indonesia (Darmastuti et al., 2023) face challenges of economic digitalization, digital literacy, and the cost burden associated with technology adoption for products. Digital literacy (Hartono et al., 2023) certainly plays an important role in facing these challenges. Not to mention the effects caused by the emergence of economic digitalization, which has certainly made the existing market limitless. Another challenge (Rohmana, 2023) is for SMEs to improve production quality and products, increase market share from abroad, and find ways to enhance online marketing processes. SMEs (Hapsari et al., 2017) also have limited access to capital, minimal ability to access digital markets, and unreliable financial reporting.

The digitalization of the economy has a significant impact on SMEs. One of the implications (Angelina Wijaya Tan et al., 2024) of this economic digitalization is the transformation undertaken by SMEs actors into the digital era, including the use of

Accounting Information Systems (AIS). Efficiency is needed by SMEs to keep pace with the changing times. The use of this AIS can improve the reporting processes and business operations carried out by SMEs. Another advantage (Ari Rohmana & Hwihanus Hwihanus, 2023) of using this AIS is to avoid recording errors and reduce waste. It is evident that SIA plays an important role in the business processes carried out by SMEs.

2. LITERATURE REVIEW

Accounting

Accounting (Fadhilah et al., 2024) is the process of identifying, measuring, and communicating economic information to assist users in making decisions. Accounting functions (De Grave et al., 2024) as an aid in preparing financial statements. Accounting information (Efriyenty, 2020) is essentially financial in nature and primarily used by decision-makers, supervisors, and the implementation of decisions within an entity. So that external and internal parties of the company can use it, accounting information must be provided in an appropriate form. This also includes the use of accounting information in strategic planning, management oversight, and operational oversight.

Accounting Information System

AIS (Sakban et al., 2024) are an effort to collect, classify, evaluate, and communicate financial data and make appropriate policy decisions to internal and external parties. AIS is also defined (Darma & Sagala, 2020) as a group of resources that work together to transform financial data into financial information and present it to users.

The Benefits Accounting Information Systems in Business

AIS is used (Nandasari & Ramlah, 2019) to achieve organizational goals. The goals are profit for the entity. Another benefit (Elmiano Artanto Epot Erong & Hwihanus Hwihanus, 2023) is that business owners obtain accurate and precise business information, the quality of the produced products will improve, and the cost of the products will become more efficient, enhancing decision-making capabilities, and increasing work process efficiency. To make accurate business decisions, AIS is very important. Growing SMEs owners use accounting tools to optimize their business results. The fact shows that many small and medium enterprises still do not use accurate accounting information. Small and medium-sized entrepreneurs often do not plan, record, and report their finances in an orderly and accurate manner.

Business Strategy

Business strategy (Fitri Anggreani, 2021) is how an entrepreneur or company can analyze the internal and external environment of the company, create strategies, and implement them to achieve the company's goals. Additionally, they also conduct evaluations to obtain feedback when formulating future strategies. There are three dimensions to measure this variable: differentiation, cost leadership, and focus strategy. Business strategy (Nuryati et al., 2023) is the process by which a company can operate well and achieve significant profit targets.

3. METHODS

Qualitative research is used to study the condition of natural objects, where the researcher is the main tool. Data collection techniques are carried out by triangulation and data analysis is carried out inductively or qualitatively. Qualitative research (Sulistyo, 2023) is a type of research that is descriptive and usually uses an inductive analysis approach. This study involved SMEs located in Madiun City. The respondents interviewed were five respondents spread across several areas of Madiun City.

Qualitative data is data that shows the quality or quality of something that exists, whether a process, condition, event, incident and others that are expressed in the form of a description or in the form of words. Qualitative data in this study includes company profiles, business licenses, and products sold by the company. Data collection is carried out through interviews with SME actors. The following are the interview topics that will be carried out.

- a. Financial reporting in SMEs.
- b. Application of accounting in SMEs.
- c. Business strategies implemented by SMEs

4. RESULTS

Accounting Knowledge of SME Owners

Accounting knowledge (Priliandani et al., 2020) is a strong understanding of what is considered a fact, truth, or information about how economic events are recorded, grouped, and described systematically and logically with the aim of providing financial information needed for decision making. Based on interviews with all respondents, it turned out that all respondents had not recorded transactions in accordance with accounting principles. They did not know anything about accounting records at all, as stated by

Respondent 1, "I have not made accounting records at all. I only record a list of transactions that occur every day". This shows that respondents are still carrying out simple recording. Respondent 5 also agreed with Respondent 1's opinion, "I am the same. I don't know what accounting records are. I only record incoming and outgoing money". The results of this interview indicate that there is limited knowledge related to accounting among SME actors.

Paradigm of SME Owners in Business

A paradigm is a way of looking at something, in this case the way SME owners look at business. This paradigm consists of:

a. Independence and resilience

This aspect (Fani et al., 2022) can be obtained through synergy between SMEs and the government in empowering SMEs. The government through Law of the Republic of Indonesia Number 20 of 2008 to develop SMEs. The purpose of this law is that SMEs can grow independently and be resilient in facing economic and modern challenges.

b. Innovation and creativity

Innovation and creativity are things that cannot be separated from SMEs. Through this, SMEs can face economic and industrial challenges. Innovation and creativity have been owned by SME actors in Madiun City. However, there are several types of SMEs that have obstacles related to innovation in running their businesses, such as Respondent 4. He said, "For the type of business that I run, it seems difficult to innovate, because my business is just like this". The business sector owned by Respondent 4 is a grocery store. Different from Respondent 1, Respondent 2, and Respondent 3 who are SMEs in the creative sector. They are engaged in screen printing and printing as well as decoration and food.

c. Network and Relationships

SME owners often rely on local networks and interpersonal relationships to gain customers and partners. Good relationships with the community are essential for business continuity. This is not possessed by all respondents. Respondent 3 expressed his opinion, "I have limited time to meet other business people. Even though my friend introduced me to join the Madiun City SME Association". All respondents in marketing their products already have social media accounts. They often interact with customers through these accounts.

d. Customer Orientation

SME owners should focus on customer satisfaction. In pursuing customer satisfaction, SME owners should have direct interactions and provide feedback on their products.

Feedback will usually be followed up after there are complaints from customers regarding the products they have. Respondent 1 said, "Usually I give feedback to the owner".

e. SIA as a Business Strategy for SMEs

Currently, all respondents have not used SIA as part of their business process. All respondents still use simple recording done by the owner. Business owners only record routine daily transactions for incoming and outgoing money. This recording is still very simple.

5. CONCLUSION

This study shows that SMEs in Madiun City still do not have sufficient accounting knowledge, such as recording transactions to reporting in the form of financial reports. Some aspects of the paradigm of SME owners in doing business are sufficient, such as aspects of independence and resilience, aspects of innovation and creativity, and aspects of customer orientation. The aspects of independence and resilience are supported by Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises. The aspects of innovation and creativity are supported by the desire and ability of SMEs to develop this, although there are several types of SMEs that have not been able to innovate. The aspects of networks and relationships are not yet owned by respondents. Owners are only focused on the networks in the surrounding environment. The aspect of customer orientation still needs to be improved, because the improvement aspect is only implemented when there are complaints from customers.

The dimension of AIS as a business strategy for MEs has not been carried out by business owners. The aspect of accounting knowledge possessed by business owners is still limited. In fact, there are many advantages that AIS has when used as a business strategy. The advantages obtained in addition to being able to find out the actual financial condition, another advantage is that the business process can be evaluated and can be more efficient and effective.

The community needs to be given knowledge related to accounting and accounting information systems. There are many things that need to be improved so that the community can feel the benefits, especially related to improving business processes and being able to win competition in the industry.

REFERENCES

- Anggreani, T. F. (2021). Faktor-faktor yang mempengaruhi SWOT: Strategi pengembangan SDM, strategi bisnis, dan strategi MSDM (suatu kajian studi literatur manajemen sumber daya manusia). *Jurnal Ekonomi Manajemen Sistem Informasi*, 2(5), 619–629. <https://doi.org/10.31933/jemsi.v2i5.588>
- Darma, J., & Sagala, G. H. (2020). Pengaruh kualitas sistem informasi akuntansi terhadap kualitas informasi akuntansi (studi empiris di Indonesia). *Jurnal Ilmiah Manajemen Ekonomi dan Akuntansi*, 4(1). <https://doi.org/10.31955/mea.v4i1.231>
- Darmastuti, S., Juned, M., Saraswati, D. P., Utami, R. A. A., & Raharjo, P. (2023). Peluang dan tantangan UMKM di Indonesia dalam perkembangan e-commerce: Studi perbandingan dengan UMKM di negara-negara ASEAN. *SOSIO DIALEKTIKA*, 8(1), 42. <https://doi.org/10.31942/sd.v8i1.8786>
- De Grave, A., Aslindar, D. A., Sibarani, B. E., Wulandari, S., Jaya, E. S., Piyani, H. O., Sari, D. M., Yus'an, N. H., Umaryadi, M. E. W., Hamdana, & Saragih, D. A. (2024). *Dasar ilmu akuntansi*. Penerbit Pradina Pustaka.
- Efriyenty, D. (2020). Analisis faktor-faktor yang mempengaruhi penggunaan informasi akuntansi pada UMKM Kota Batam. *Jurnal Bisnis Terapan*, 4(1), 69–82. <https://doi.org/10.24123/jbt.v4i1.2814>
- Erong, E. A. E., & Hwihanus, H. (2023). Peran dan manfaat SIA dalam penentuan strategi penjualan produk pada e-commerce. *Jurnal Penelitian Ekonomi Manajemen dan Bisnis*, 2(1), 45–56. <https://doi.org/10.55606/jekombis.v2i1.980>
- Fadhilah, F., Salsabila, S., Gunawan, A., Sholihah, R. A., & Adinugraha, H. H. (2024). Pelatihan akuntansi dasar serta laporan kas masuk dan keluar pada rutinan barzanji di Kelurahan Kuripan Kertoharjo. *SUBSERVE: Community Service and Empowerment Journal*, 2. <https://doi.org/10.36728/scsej.v2i2.40>
- Fani, A. D., Mubarak, D. H., Fitroh, A., Lisdiani, G., & Hadisurya, D. (2022). Pemberdayaan dan pemasaran produk UMKM melalui kegiatan bazar di Desa Ciamaragas Kabupaten Ciamis. *Jurnal Khidmat*, 2(1). <https://www.riset-iaid.net/index.php/khidmat/article/view/1982>
- Hapsari, D. P., Andari, A., & Hasanah, A. N. (2017). Model pembukuan sederhana bagi usaha mikro di Kecamatan Kramatwatu Kabupaten Serang. *Jurnal Kajian Ilmiah Akuntansi*. <https://doi.org/10.30656/jak.v4i2.249>
- Hartono, H. R. P., Kurniawan, Y. D., & Abdullah, L. O. (2023). Financial literacy: A case study in Madiun. *Indonesian Journal of Business Analytics*, 3(3), 665–672. <https://doi.org/10.55927/ijba.v3i3.4635>
- Kamar Dagang dan Industri Indonesia (Kadin). (2023). *UMKM Indonesia*. <https://kadin.id/data-dan-statistik/umkm-indonesia/>
- Nandasari, D. A., & Ramlah, S. (2019). Pengaruh sistem informasi akuntansi terhadap kinerja karyawan. *Tangible Journal: Jurnal Akuntansi*, 4(1). <https://doi.org/10.53654/tangible.v4i1.52>

- Nuryati, T., Malik, A. F., Ernawati, F. A., Juliachya, L., Nawawi, M. R., Restynanda, R., Jati, S. M. D., & Cahyani, Y. I. (2023). Meningkatkan keuntungan bisnis dengan pemanfaatan fungsi business intelligence. *Jurnal Ekonomi Manajemen Sistem Informasi*, 4(5). <https://dinastirev.org/JEMSI/article/view/1513>
- Prihandani, N. M. I., Pradnyanitasari, P. D., & Saputra, K. A. K. (2020). Pengaruh persepsi dan pengetahuan akuntansi pelaku usaha mikro kecil dan menengah terhadap penggunaan informasi akuntansi. *Jurnal Akuntansi, Ekonomi dan Manajemen Bisnis*, 8(1), 67–73. <https://doi.org/10.30871/jaemb.v8i1.1608>
- Rohmana, A., & Hwihanus, H. (2023). Peran sistem informasi akuntansi dalam pemanfaatan teknologi terhadap pembukuan digital pada UMKM. *Jurnal Kajian dan Penalaran Ilmu Manajemen*, 1(1), 54–63. <https://doi.org/10.59031/jkpim.v1i1.49>
- Rohmana, D. W. (2023). Peranan ekonomi digital dalam peningkatan pertumbuhan UMKM: Peluang dan tantangan. *Indonesian Proceedings and Annual Conference of Islamic Law and Sharia Economic (IPACILSE)*. <https://prosiding.uit-lirboyo.ac.id/index.php/psh/article/view/312>
- Sakban, M., Sumaizar, & Merry. (2024). Perancangan sistem informasi simpan pinjam pada koperasi SD Swasta Taman Siswa berbasis web. *Jurnal Bisantara Informatika*, 8(1). <https://bisantara.amikparbinanusantara.ac.id/index.php/bisantara/article/view/105>
- Sulistyo, U. (2023). *Metode penelitian kualitatif*. Salim Media Indonesia.
- Undang-Undang Republik Indonesia Nomor 20 Tahun 2008. (2008).
- Wijaya Tan, A., Ambouw, N. E. B., & Kustiwi, I. A. (2024). Digitalisasi ekonomi SIA: Transformasi sistem informasi akuntansi dalam meningkatkan efisiensi dan inovasi bisnis. *Jurnal Mutiara Ilmu Akuntansi*, 2(2), 332–341. <https://doi.org/10.55606/jumia.v2i2.2636>