International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

The effect of activity-based costing and product innovation on financial performance : The Moderating Role of Firm Size

Dito Pratama[1], Agus Ismaya Hasanudin[2], Mulyanah[3]

[1,2,3,]Accounting Departement of Sultan Ageng Tirtayasa University, Indonesia

E-mail: ditopratama1701@gmail.com

Abstract

This study investigates the influence of Activity-Based Costing (ABC) and product innovation on the financial performance of manufacturing firms, while examining the moderating role of firm size. The research focuses on manufacturing companies operating in Tangerang, Indonesia, where increasing market competition requires both effective cost management and continuous innovation to improve organizational performance. A quantitative research design was adopted, and data were collected through questionnaires distributed to managerial-level employees. Out of 64 questionnaires, 62 valid responses were analyzed using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) approach. The findings indicate that both Activity-Based Costing and product innovation have a positive and significant effect on financial performance. The analysis also reveals that firm size strengthens these relationships, suggesting that larger companies are better positioned to maximize the benefits of ABC implementation and innovation initiatives due to their greater financial, technological, and organizational resources. These findings highlight the importance of integrating accurate cost management practices with innovation strategies to achieve stronger financial performance and maintain long-term competitiveness.

Keywords: Activity-Based Costing, Product Innovation, Financial Performance, Firm Size, Manufacturing Industry

INTRODUCTION

Financial performance is widely recognized as one of the primary indicators used to evaluate a company's ability to achieve sustainable profitability and maintain long-term

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

business growth. In an increasingly competitive manufacturing environment, organizations are required to improve operational efficiency while making informed strategic decisions. One of the key factors supporting these decisions is the availability of accurate cost information, accompanied by a strong capability to develop products that meet changing market demands. Many manufacturing firms continue to rely on traditional costing systems that allocate overhead costs primarily based on production volume. Although this approach is relatively simple to implement, it often fails to reflect the actual consumption of organizational resources by different products or activities. As a result, inaccurate cost allocation may occur, leading to inappropriate pricing decisions, inefficient resource utilization, and lower financial performance (Kaplan & Anderson, 2004). To address these limitations, Activity-Based Costing (ABC) was introduced as a more sophisticated costing method that allocates overhead costs according to the activities responsible for consuming organizational resources. This approach enables companies to obtain more accurate product cost information, distinguish between value-added and non-value-added activities, and improve managerial decision-making related to pricing, budgeting, and operational efficiency (Cooper & Kaplan, 1988). Consequently, the implementation of ABC can strengthen cost control and contribute to better financial outcomes.

Besides effective cost management, product innovation has become another important factor influencing organizational success. Companies that continuously develop new products or improve existing ones are generally better positioned to satisfy customer expectations, respond to market changes, and strengthen their competitive advantage. Innovation not only enhances product quality and differentiation but also creates opportunities for increasing sales, expanding market share, and improving profitability (Nandal et al., 2021). Therefore, organizations with strong innovation capabilities are expected to achieve superior financial performance compared with firms that rely solely on existing products. Nevertheless, the effectiveness of both Activity-Based Costing and product innovation may vary across organizations depending on their internal characteristics. One important organizational characteristic is firm size. Larger firms generally possess greater financial resources, more advanced technological infrastructure, and a more skilled workforce, enabling them to implement sophisticated management accounting systems and innovation strategies more effectively than smaller firms (Chenhall, 2003). These advantages allow larger organizations to maximize the benefits derived from ABC implementation and product innovation, ultimately generating stronger financial performance. Based on these considerations, this study investigates

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

the influence of Activity-Based Costing and product innovation on the financial performance of manufacturing companies located in Tangerang Regency, Indonesia. In addition, the study examines whether firm size moderates the relationship between these strategic practices and financial performance. The findings are expected to provide empirical evidence that enriches the literature on managerial accounting and strategic management while offering practical insights for manufacturing companies seeking to improve their financial performance through effective cost management and continuous innovation.

LITERATURE REVIEW AND HYPOTHESES

Resource-Based View (RBV) Theory

The Resource-Based View (RBV), proposed by Wernerfelt (1984), argues that a firm's long-term success depends on its ability to acquire, develop, and effectively utilize valuable internal resources. Resources that are valuable, rare, difficult for competitors to imitate, and non-substitutable can become sources of sustainable competitive advantage. Rather than relying solely on external market conditions, RBV emphasizes that superior organizational performance is primarily driven by the firm's internal capabilities. Within this perspective, Activity-Based Costing (ABC) and product innovation can be viewed as strategic organizational resources because they enhance operational efficiency, improve decision-making quality, and strengthen competitive positioning, ultimately contributing to improved financial performance..

The effect of Activity Based Costing on Financial Performance

Activity-Based Costing (ABC) is recognized as an advanced cost management system that allocates indirect costs according to the activities responsible for consuming organizational resources. Unlike traditional costing methods, ABC provides more accurate cost information, enabling managers to identify inefficient activities, optimize resource utilization, and establish more appropriate pricing strategies. Accurate cost allocation also supports better budgeting, performance evaluation, and operational planning. From the perspective of the Resource-Based View, the capability to implement an effective cost management system represents an important organizational resource that can improve competitiveness. Previous studies have shown that firms adopting ABC generally experience improvements in operational efficiency, cost control, and profitability because managerial decisions are based on more reliable financial information (Abdilahi et al., 2023; Vetchagool et al., 2020). Accordingly, companies that successfully implement

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

ABC are expected to achieve stronger financial performance than those relying on conventional costing methods.

H1 : Activity Based Costing has a positive effect on financial performance

The effect of product innovation on financial performance

Product innovation reflects a company's ability to introduce new products or improve existing products in response to changing customer preferences and market dynamics. Continuous innovation enables firms to create greater customer value, differentiate themselves from competitors, and strengthen their market position. As a result, innovative firms often experience higher sales growth, improved customer satisfaction, and stronger long-term profitability. According to the Resource-Based View, innovation capability represents an intangible strategic asset that is difficult for competitors to replicate. Organizations that consistently invest in innovation are more capable of adapting to technological developments and responding to competitive pressures. Empirical evidence suggests that product innovation contributes significantly to financial performance by increasing operational effectiveness, improving product quality, and expanding market opportunities (Mabenge et al., 2020; Nandal et al., 2021). Therefore, firms with stronger innovation capabilities are expected to generate superior financial outcomes.

H2 : Product innovation has a positive on financial performance

The effect of Activity based costing,financial performance, and firm size

Firm size is frequently associated with the availability of financial resources, technological capabilities, and skilled human capital. Larger organizations generally possess greater organizational capacity to implement sophisticated management accounting systems, including Activity-Based Costing. They are also more capable of investing in information systems, employee training, and analytical technologies that support accurate cost management. These advantages allow large firms to maximize the benefits obtained from ABC implementation. More accurate cost information enables better operational planning, stronger cost control, and improved strategic decision-making, which ultimately enhance financial performance. Consequently, firm size is expected to strengthen the positive influence of Activity-Based Costing on financial performance (Chenhall, 2003).

H3 : Firm size strengthens the effect of activity based costing on the financial performance

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

The effect of product innovation , financial performance, and firm size

The effectiveness of product innovation may also depend on the scale of an organization. Large firms usually have broader access to capital, advanced technology, research facilities, and qualified human resources, enabling them to develop, commercialize, and market innovative products more successfully. In addition, their extensive distribution networks and stronger market presence increase the likelihood that innovation investments will generate favorable financial returns.

Conversely, smaller firms often encounter financial and technological limitations that restrict their ability to sustain innovation activities. These constraints may reduce the overall contribution of innovation to organizational performance. Therefore, firm size is expected to reinforce the positive relationship between product innovation and financial performance by providing the organizational resources necessary to maximize innovation outcomes (Damanpour & Wischnevsky, 2006).

H4 : Firm size strengthens the effect of product innovation on the financial performance

METHODS

This study employed a quantitative research approach using an explanatory design to examine the relationships among Activity-Based Costing (ABC), product innovation, firm size, and financial performance in manufacturing companies. The primary objective was to investigate the direct effects of Activity-Based Costing and product innovation on financial performance, while also assessing the moderating role of firm size in these relationships. Primary data were collected through a structured questionnaire administered to managerial employees of manufacturing companies located in Tangerang Regency, Indonesia. The target respondents included finance managers, accounting staff, production managers, warehouse supervisors, research and development (R&D) personnel, production staff, and quality control officers. These respondents were selected because they possess sufficient knowledge regarding the implementation of cost management systems, innovation activities, and organizational performance. The study applied a purposive sampling technique to ensure that only companies meeting the research requirements were included in the sample. The selection criteria consisted of three conditions: (1) the company had been operating for more than five years; (2) the company had implemented Activity-Based Costing (ABC) as part of its operational or financial management practices; and (3) the company was willing to participate by providing the information required for this study. A total of 64

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

questionnaires were distributed, of which 62 were returned and considered valid for analysis, resulting in a response rate of 96.8%. This number satisfies the minimum sample requirement for quantitative analysis using Partial Least Squares–Structural Equation Modeling (PLS-SEM).

The research instrument employed a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Each construct was measured using indicators adapted from previous empirical studies to ensure content validity. Activity-Based Costing was measured through indicators related to cost analysis, strategic cost management, and cost evaluation. Product innovation was assessed based on intelligence generation, intelligence dissemination, marketing support, product quality, and technology selection. Financial performance was evaluated using indicators of return on sales, profitability, sales growth, productivity improvement, and production cost efficiency. Firm size was represented by the number of employees, total assets, and annual sales volume. Data collection involved both field and literature research. Field research consisted of distributing questionnaires and communicating directly with participating companies, while the literature review provided the theoretical foundation by examining relevant books, academic journals, and previous empirical studies concerning Activity-Based Costing, product innovation, firm size, and financial performance.

The collected data were analyzed using Partial Least Squares–Structural Equation Modeling (PLS-SEM) with SmartPLS 3 software. The analytical procedure consisted of two major stages. First, the measurement model (outer model) was evaluated through convergent validity, discriminant validity, Composite Reliability, and Cronbach's Alpha to ensure the validity and reliability of the measurement instruments. Second, the structural model (inner model) was assessed by examining path coefficients, coefficients of determination (R^2), effect sizes (f^2), and hypothesis testing using the bootstrapping procedure. The moderating role of firm size was analyzed using the interaction-term approach to determine whether firm size strengthened the relationships between Activity-Based Costing, product innovation, and financial performance. The theoretical foundation of this research is based on the Resource-Based View (RBV), which argues that sustainable competitive advantage originates from valuable internal resources and organizational capabilities. Within this framework, Activity-Based Costing and product innovation are viewed as strategic organizational resources that contribute to improved financial performance, while firm size represents an organizational characteristic that influences the effectiveness of these strategic resources.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

RESULT

The proposed research model was analyzed using Partial Least Squares–Structural Equation Modeling (PLS-SEM) with SmartPLS 3 software. The evaluation process consisted of two stages: assessment of the measurement model (outer model) and assessment of the structural model (inner model). The measurement model was first examined to ensure that all constructs satisfied the required standards of validity and reliability before hypothesis testing was conducted. The results indicate that all measurement indicators achieved outer loading values above the recommended threshold of 0.70, demonstrating satisfactory indicator reliability. Furthermore, the Average Variance Extracted (AVE) values for every construct exceeded 0.50, confirming adequate convergent validity. Internal consistency reliability was also established, as both Cronbach's Alpha and Composite Reliability values were greater than 0.70 for all constructs. These findings suggest that the research instrument provides reliable and valid measurements for the variables included in this study.

Table 1. Construct Validity and Reliability Results

Variable	Cronbach's Alpha	Composite reliability	Average variance extracted (AVE)
Activity based costing	0.894	0.921	0.701
Product Innovation	0.879	0.912	0.674
Financial Performance	0.867	0.904	0.652
Firm Size	0.777	0.869	0.688
Moderating Effect 1	1.000	1.000	1.000
Moderating Effect 2	1.000	1.000	1.000

Source : Primary data, Processed In 2025

Overall, the measurement model fulfilled all recommended evaluation criteria, indicating that the latent constructs were measured consistently and accurately. Therefore, the structural model analysis could be conducted with confidence.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

The explanatory power of the structural model was assessed using the coefficient of determination (R^2). As presented in Table 2, the adjusted R^2 value for Financial Performance was 0.667, while the R^2 value reached 0.691.

Table 2. R Square Results

Variable	R^2	Adjusted R^2	Interpretation
Financial Performance	0.691	0.667	Substantial

Source : Primary data, Processed In 2025

These results indicate that approximately 69.1% of the variation in financial performance can be explained by Activity-Based Costing, Product Innovation, Firm Size, and the interaction effects included in the proposed model. Based on the classification suggested by Hair et al. (2019), this value represents a substantial level of explanatory power, indicating that the model provides a strong explanation of financial performance among manufacturing companies.

Table 3. FSquare Results

Variable	f^2 Value	Effect Size	Interpretation
Activity-Based Costing → Financial Performance	0.280	Medium	Significant
Product Innovation → Financial Performance	0.380	Large	Significant
Firm Size → Financial Performance	0.549	Large	Significant
Moderating Effect 1 (ABC × Firm Size) → Financial Performance	0.488	Large	Significant

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Moderating Effect 2 (Product Innovation × Firm Size) → Financial Performance	0.634	Large	Significant

Source : Primary data, Processed In 2025

The findings reveal that Activity-Based Costing has a moderate effect on financial performance (f^2 = 0.280), whereas Product Innovation demonstrates a large effect (f^2 = 0.380). Likewise, Firm Size exhibits a substantial influence on financial performance with an f^2 value of 0.549.

More importantly, both interaction terms representing the moderating role of firm size produced large effect sizes (0.488 and 0.634, respectively). These findings indicate that firm size considerably strengthens the influence of both Activity-Based Costing and Product Innovation on financial performance. Overall, the effect size analysis provides additional evidence that organizational resources and capabilities jointly contribute to improved financial outcomes.

Table 4. Hypothesis Testing Results –Direct EffectS

	Original Sampel (O)	Sampel Mean (M)	P Values
Activity-Based Costing → Financial Performance	0.295	0.278	0.001
Product Innovation → Financial Performance	0.344	0.328	0.001
Moderating Effect 1 (ABC × Firm Size) → Financial Performance	0.382	0.338	0.001
Moderating Effect 2 (Product Innovation × Firm Size) → Financial Performance	0.458	0.410	0.000

Source : Primary data, Processed In 2025

The hypothesis testing results demonstrate that all proposed relationships are statistically significant. The relationship between Activity-Based Costing and Financial

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Performance is positive and significant (β = 0.295; p = 0.001), indicating that firms implementing Activity-Based Costing more effectively tend to achieve better financial performance. Therefore, Hypothesis 1 (H1) is supported. Similarly, Product Innovation shows a positive and statistically significant effect on Financial Performance (β = 0.344; p = 0.001). This finding suggests that organizations with stronger innovation capabilities are more likely to improve their financial outcomes, supporting Hypothesis 2 (H2). Regarding the moderating relationships, the interaction between Activity-Based Costing and Firm Size significantly influences financial performance (β = 0.382; p = 0.001). This result confirms that larger firms are able to derive greater financial benefits from the implementation of Activity-Based Costing, thereby supporting Hypothesis 3 (H3). Likewise, the interaction between Product Innovation and Firm Size is positive and highly significant (β = 0.458; p < 0.001). This finding indicates that firm size enhances the contribution of product innovation to financial performance, supporting Hypothesis 4 (H4).

Overall, the empirical findings confirm that both Activity-Based Costing and Product Innovation contribute directly to improved financial performance. Furthermore, firm size strengthens the effectiveness of these strategic practices, highlighting the importance of organizational capacity in maximizing the benefits of cost management and innovation initiatives.

The final model is depicted in a path diagram, which shows the direction and strength of the relationships between latent variables.

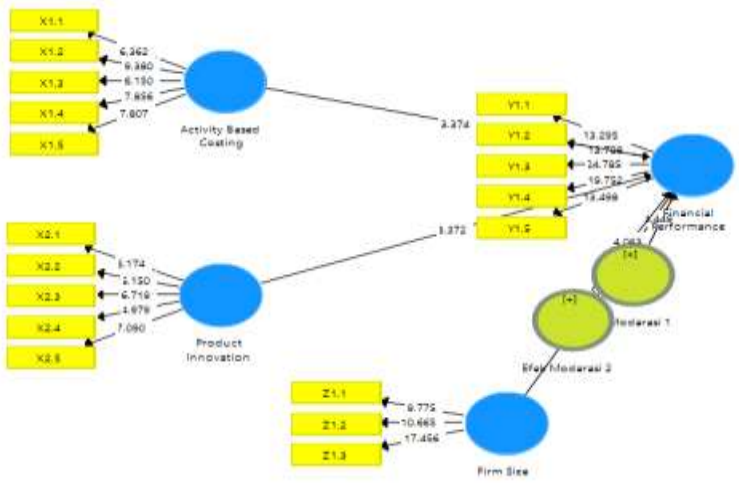


Figure 2. Bootstrapping Model or Path Diagram from SmartPLS

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

DISCUSSION

The findings of this study demonstrate that both Activity-Based Costing (ABC) and Product Innovation play important roles in improving the financial performance of manufacturing companies. In addition, Firm Size strengthens the influence of both variables, suggesting that organizational resources and operational capacity are important factors in maximizing the benefits of cost management and innovation practices.

The empirical results confirm that Activity-Based Costing has a positive and significant effect on financial performance. This finding indicates that companies implementing ABC are better able to allocate overhead costs based on the actual consumption of organizational resources. As a result, managers obtain more reliable cost information, which supports more accurate pricing decisions, efficient resource allocation, and stronger financial control. Improved cost transparency also enables firms to identify inefficient activities and reduce unnecessary operational expenses, ultimately contributing to higher profitability.

These findings are consistent with the Resource-Based View (RBV), which suggests that internal capabilities can become valuable strategic resources when they improve organizational efficiency and create competitive advantages. In this context, an effective ABC system represents a managerial capability that enhances decision quality and operational performance. The results are also in line with previous studies conducted by Abdilahi et al. (2023) and Vetchagool et al. (2020), which reported that organizations adopting ABC generally achieve better financial outcomes through more efficient cost management and improved utilization of organizational resources.

From a practical perspective, the implementation of ABC provides managers with a clearer understanding of how resources are consumed throughout the production process. Instead of relying on generalized overhead allocations, managers can evaluate each activity based on its actual contribution to production. This information supports strategic decisions related to budgeting, production planning, and pricing policies, allowing firms to improve operational efficiency while maintaining profitability. Such benefits are particularly important for manufacturing companies where production processes involve numerous activities and indirect costs.

The study also demonstrates that Product Innovation positively influences financial performance. Companies capable of continuously introducing new products or improving existing ones are more likely to strengthen their competitive position in the marketplace. Innovative products not only satisfy changing customer preferences but also create

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

additional value that encourages customer loyalty and expands market opportunities. Consequently, firms with stronger innovation capabilities tend to experience higher sales growth and better financial performance.

This result further supports the Resource-Based View, which recognizes innovation capability as an intangible organizational resource that contributes to sustainable competitive advantage. Continuous innovation enables firms to respond more effectively to technological developments and dynamic market conditions while maintaining long-term competitiveness. These findings are consistent with previous research by Mabenge et al. (2020) and Nandal et al. (2021), who concluded that product innovation significantly contributes to organizational growth, market competitiveness, and financial success.

Another important finding of this research concerns the moderating role of firm size. The analysis indicates that firm size strengthens the positive relationship between Activity-Based Costing and financial performance. Larger organizations generally possess stronger financial resources, more advanced information systems, and greater managerial expertise, allowing them to implement ABC more effectively than smaller firms. These organizational advantages enable companies to maximize the value generated from accurate cost information, resulting in more effective managerial decisions and improved financial outcomes.

Similarly, firm size was found to reinforce the relationship between product innovation and financial performance. Large firms typically have greater access to research and development facilities, advanced production technologies, and broader distribution networks. These resources increase the likelihood that innovation activities will successfully reach the market and generate economic returns. In contrast, smaller firms often face budget constraints and limited technological capabilities, reducing the overall impact of innovation on organizational performance. Therefore, firm size functions as an organizational capability that enhances the effectiveness of strategic initiatives undertaken by the company.

The relatively large f^2 values obtained for both moderating variables further support this interpretation. The results suggest that organizational scale does not merely represent company characteristics but also determines the extent to which strategic management practices can contribute to financial performance. Companies with greater organizational capacity are generally better positioned to integrate cost management systems with innovation strategies, creating operational synergies that improve efficiency, productivity, and long-term profitability.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Overall, the findings reinforce the central proposition of the Resource-Based View, namely that sustainable competitive advantage is primarily derived from valuable internal resources and organizational capabilities. In this study, Activity-Based Costing and product innovation represent strategic resources that directly improve financial performance, while firm size provides the organizational capacity necessary to maximize their effectiveness. These findings contribute to the literature on managerial accounting and strategic management by demonstrating that the combination of accurate cost management, continuous innovation, and adequate organizational resources forms a strong foundation for achieving superior financial performance in manufacturing companies.

CONCLUSION

This study examined the effects of Activity-Based Costing (ABC) and Product Innovation on the financial performance of manufacturing companies, while evaluating the moderating role of Firm Size. The empirical findings indicate that both Activity-Based Costing and Product Innovation have positive and statistically significant effects on financial performance. These results suggest that companies adopting more accurate cost management practices and continuously developing innovative products are better positioned to improve profitability, operational efficiency, and overall business performance. The findings also demonstrate that Activity-Based Costing provides managers with more reliable cost information by allocating overhead costs according to the activities that consume organizational resources. This approach supports better managerial decision-making related to pricing, budgeting, and resource allocation, ultimately contributing to improved financial outcomes. Therefore, ABC can be regarded as an effective strategic management tool for strengthening organizational competitiveness.

Furthermore, Product Innovation was found to contribute significantly to financial performance by enabling firms to respond more effectively to changing customer needs and market dynamics. Organizations that consistently develop new products or improve existing ones are more likely to increase customer value, strengthen their competitive position, and achieve sustainable business growth. These findings reinforce the argument that innovation capability represents an important strategic asset for long-term organizational success. The study also confirms the moderating role of Firm Size. Larger firms are better equipped to maximize the benefits of both Activity-Based Costing and Product Innovation because they generally possess greater financial resources, more

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

advanced technological infrastructure, and stronger organizational capabilities. Consequently, firm size enhances the effectiveness of these strategic practices and further improves financial performance.

Overall, this study supports the Resource-Based View (RBV**)** by demonstrating that effective cost management systems and innovation capabilities represent valuable organizational resources that contribute to superior financial performance. The findings provide practical implications for managers, emphasizing the importance of integrating Activity-Based Costing with continuous product innovation while considering organizational capacity as a key factor in achieving sustainable competitive advantage. Future studies are encouraged to include additional variables, expand the research setting to other industrial sectors, and employ larger samples to improve the generalizability of the findings.

REFERENCES

Abdilahi, M. A., Kithinji, M., & Naminda, B. (2023). Effect of activity-based costing on financial performance of cement manufacturing industry in Kenya. *The Strategic Journal of Business & Change Management, 10*(3), 88–99. https://doi.org/10.61426/SJBCM.V10I3.2689

Al-Dhubaibi, A. A. S. (2021). Optimising the value of activity-based costing system: The role of successful implementation. *Management Science Letters, 11*, 179–186. https://doi.org/10.5267/j.msl.2020.8.017

Baykasoglu, A., & Kaplanoglu, V. (2008). Application of activity-based costing to a land transportation company: A case study. *International Journal of Production Economics, 116*(2), 308–324.

Chenhall, R. H. (2003). Management control systems design within its organizational context: Findings from contingency-based research and directions for the future. *Accounting, Organizations and Society, 28*(2–3), 127–168.

Cohen, J. (1988). *Statistical power analysis for the behavioral sciences* (2nd ed.). Lawrence Erlbaum Associates.

Cooper, R., & Kaplan, R. S. (1988). Measure costs right: Make the right decisions. *Harvard Business Review, 66*(5), 96–103.

Damanpour, F.&Wischnevsky, J.D. (2006). Research on innovation in organizations: Distinguishing innovation-generating from innovation-adopting organizations.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Journal of Engineering and Technology Management, 23(4), 269–291. https://doi.org/10.1016/j.jengtecman.2006.08.002

Dasuki, R. E., Resource, T., & View…, B. (n.d.). *Coopetition : Jurnal Ilmiah Manajemen Manajemen Strategi : Kajian Teori Resource Based View*

Latan, hengky & ghozali, imam.(2015). Partial least squares: concepts, techniques and applications using smartpls 3

Mabenge, B. K., Ngorora-Madzimure, G. P. K., & Makanyeza, C. (2022). Dimensions of innovation and their effects on the performance of small and medium enterprises: The moderating role of firm's age and size. *Journal of Small Business&Entrepreneurship,34*(6), 684–708. https://doi.org/10.1080/08276331.2020.1725727

Nandal, n. (2021). "impact of product innovation on the financial performance of the selected organizations: a study in indian context." In psychology and education https://doi.org/10.17762/pae.v58i1.2072

Vetchagool, w., augustyn, m. M., & tayles, m. (2020). Impacts of activity-based costing on organizational performance: evidence from thailand. *Asian review of accounting*, *28*(3), 329–349. Https://doi.org/10.1108/ara-08-2018-0159

Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal, 5*(2), 171–180.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.