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The Influence Of The Implementation Of Accounting Information Systems And Internal Control On MSME Performance In Telanaipura District, Jambi City

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Abstract

This study aims to examine the effect of Accounting Information System Implementation and Internal Control on MSME Performance in Telanaipura Sub-district, Jambi City. The research used a quantitative approach with 98 MSME owners as respondents. Data were collected through questionnaires and analyzed using multiple linear regression, including simultaneous (F-test), partial (t-test), and coefficient of determination (R^2) tests. The descriptive results show that the Accounting Information System was categorized as good, with an average score of 394, while Internal Control was also categorized as good, with an average score of 389. Meanwhile, MSME Performance was categorized as high, with an average score of 390. The regression results indicate that Accounting Information Systems have a positive and significant effect on MSME Performance, as well as Internal Control. Simultaneously, Accounting Information Systems and Internal Control have a positive and significant effect on MSME Performance. The coefficient of determination (R^2) of 0.986 indicates that 98.6% of the variation in MSME Performance can be explained by Accounting Information Systems and Internal Control, while the remaining 1.4% is explained by other factors outside the research model.

Keywords: Accounting Information System, Internal Control, MSME Performance.

INTRODUCTION

The development of Micro, Small, and Medium Enterprises (MSMEs) in Jambi City has shown a positive trend, supported by increasing government assistance through training, licensing facilitation, marketing digitalization, and business mentoring. In 2025, the Jambi City Government inaugurated 21 MSME groups under its business competitiveness improvement program. In addition, the Jambi City Manpower, Cooperatives, and MSME Office has provided assistance to approximately 801 MSME

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members across various sub-districts. One area with relatively high economic activity is Telanaipura Sub-district, which has developed as a center of government, trade, services, education, and residential activities. This development provides both opportunities and challenges for MSME owners to improve business management, particularly in financial recording, the utilization of information technology, and internal control, in order to achieve sustainable business performance.

However, the development of MSMEs continues to face challenges in administrative and financial management. A study by Nadia Ladita et al. (2023) concerning the implementation of SAK EMKM among MSMEs in Telanaipura Sub-district found that the understanding and readiness of MSME owners in preparing financial statements remain major obstacles. Some business owners have not yet been able to prepare financial statements in accordance with applicable accounting standards, resulting in financial information that cannot be fully utilized for decision-making. In addition, the relatively simple management structure of many MSMEs has resulted in inadequate segregation of duties, authorization procedures, and monitoring mechanisms, thereby increasing the risk of recording errors, asset losses, cash misuse, and fraud. According to COSO (2017), effective internal control can improve operational effectiveness, ensure the reliability of financial reporting, and promote compliance with organizational policies.

Accounting Information Systems and internal control are important components in supporting MSME management and performance. According to Mulyadi (2018), effective internal control can protect assets, improve the accuracy of accounting information, promote operational efficiency, and ensure that organizational activities are conducted in accordance with management policies. Meanwhile, Romney and Steinbart (2021) explain that a high-quality Accounting Information System produces accurate, relevant, complete, and timely information that supports management decision-making. Therefore, the effective implementation of an Accounting Information System and internal control can assist MSME owners in managing transactions, monitoring resources, reducing risks, and improving operational effectiveness.

MSME performance is an important indicator of business success. According to Bernardin and Russell (2019), performance refers to the results achieved by individuals or organizations in accordance with predetermined objectives. In the context of MSMEs, performance can be assessed through sales growth, profit growth, customer growth, asset growth, operational efficiency, and business sustainability. In line with this perspective, a study by Junita, Gowon, and Wahyu MZ (2024) in Jambi City found that human resource quality, training, management support, and the utilization of Accounting Information Systems influenced the performance of accounting information systems in cooperatives. Meanwhile, a study by Juniar, Rahayu, and Hernando (2025) on

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cooperatives in Jambi City demonstrated that internal control systems had a positive effect on financial reporting quality. These findings indicate that high-quality information and effective internal controls have the potential to support decision-making and improve business performance.

Nevertheless, the relationship between Accounting Information Systems, internal control, and MSME performance has not yet produced entirely consistent findings. Differences in research results may be influenced by human resource competencies, business size, levels of digital literacy, and the characteristics of individual businesses. Therefore, MSME success is determined not only by the ability to produce goods or services but also by the ability to manage financial information and implement effective internal controls. Based on these conditions, the study entitled **"The Effect of Accounting Information System Implementation and Internal Control on MSME Performance in Telanaipura Sub-district, Jambi City"** is important to determine the extent to which these two factors influence MSME performance in the research area.

Objectives

This article intends

1. To determine and analyze the effect of the implementation of Accounting Information Systems on the performance of MSMEs in Telanaipura District, Jambi City.
2. To determine and analyze the effect of internal control on the performance of MSMEs in Telanaipura District, Jambi City.
3. To determine and analyze the simultaneous effect of the implementation of Accounting Information Systems and internal control on the performance of MSMEs in Telanaipura District, Jambi City.

METHODS

This study employs a quantitative method with an associative approach to examine the influence of Accounting Information Systems and Internal Control on MSME performance. According to Sugiyono (2023), quantitative research is used to study specific populations or samples through statistical data collection and analysis. The research subjects are MSMEs in the Telanaipura District of Jambi City, comprising a population of 4,188 business units. Based on the Slovin formula with a 10% margin of error, a sample of 98 respondents was obtained. The research data consists of primary data collected via questionnaires and secondary data from books, journals, the Central Statistics Agency (BPS), the Office of Cooperatives and MSMEs, and other official sources.

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Data collection was conducted using questionnaires, documentation, and literature reviews, utilizing a 1–5 Likert scale. The research variables consist of Accounting Information Systems (X1), Internal Control (X2), and MSME Performance (Y). Accounting Information Systems are measured by quality, reliability, timeliness, ease of use, and transaction data processing; Internal Control by control environment, risk assessment, control activities, information and communication, and monitoring; and MSME Performance by sales growth, profit, customer base, assets, and business efficiency. Internal Control is based on the COSO (2017) framework, while Accounting Information Systems are based on Romney et al. (2021) and Hall (2016).

Data analysis was performed using SPSS. Multiple linear regression is used to determine the influence of X1 and X2 on Y; the t-test examines partial influence, the F-test examines simultaneous influence, and the coefficient of determination (R^2) measures the extent to which the independent variables explain MSME performance. The research hypothesis states that the Accounting Information System and Internal Control have a positive and significant effect both partially and simultaneously on the performance of MSMEs in Telanaipura District, Jambi City.

RESULT AND DISCUSSION

Result

Descriptive Analysis Results

Based on the questionnaire responses from 98 MSME owners in Telanaipura Sub-district, Jambi City, the Accounting Information System (X1) obtained an average score of 394, with a total score of 3,941, and was categorized as good. This indicates that most MSMEs have implemented financial recording and information processing in their business activities. The highest scores were found in the transaction data processing indicator (407) and timeliness indicators (403 and 402), indicating that financial information is generally available when needed and transactions are recorded promptly. Overall, the results show that the Accounting Information System has been implemented well, although transaction data processing can still be improved.

The Internal Control (X2) variable obtained an average score of 389, with a total score of 3,889, and was categorized as good. This indicates that MSMEs have implemented internal control through business rules, responsibility, risk identification, transaction checking, asset monitoring, communication, and evaluation. The highest score was recorded for information and communication (401), while monitoring and evaluation still require greater consistency.

The MSME Performance (Y) variable obtained an average score of 390, with a total score of 3,897, and was categorized as high. The results indicate positive performance in terms of sales growth, profit growth, customer growth, asset growth, and

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operational efficiency. The highest scores were recorded for customer retention and acquisition (398) and the ability to add business equipment or facilities (397).

Overall, the descriptive results show that Accounting Information Systems (394) and Internal Control (389) are in the good category, while MSME Performance (390) is in the high category. These findings provide an initial indication that better implementation of accounting information systems and internal controls is accompanied by relatively high MSME performance in Telanaipura Sub-district, Jambi City.

Multiple Linear Regression Analysis

The results of the multiple linear regression analysis are presented in the following table. The interpretation focuses on the direction and magnitude of the regression coefficients for the Accounting Information System (X1) and Internal Control (X2) in relation to MSME Performance (Y). Based on these results, the effect of each independent variable can be interpreted as follows.

Table 1. Multiple Regression Result

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
(Constant)	-.247	.505	
X1	.241	.087	.243
X2	.762	.088	.752

Source : SPSS 27, 2026

Based on the multiple linear regression results, the regression equation can be formulated as :

$$Y = -0.247 + 0.241X_1 + 0.762X_2.$$

The constant value of -0.247 indicates that when the Accounting Information System (X1) and Internal Control (X2) are assumed to be zero, MSME Performance (Y) has a predicted value of -0.247. The regression coefficient of X1 is 0.241, meaning that every one-unit increase in the implementation of the Accounting Information System is associated with an increase of 0.241 units in MSME Performance, assuming Internal Control remains constant. Meanwhile, the coefficient of X2 is 0.762, indicating that every one-unit increase in Internal Control is associated with an increase of 0.762 units in MSME Performance, assuming the Accounting Information System remains constant. Thus, both independent variables have positive relationships with MSME Performance, with Internal Control having the larger regression coefficient.

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Simultaneous Test (F-Test)

The ANOVA results are used to determine whether the Accounting Information System (X1) and Internal Control (X2) simultaneously have a significant effect on MSME Performance (Y). The simultaneous test is conducted by comparing the calculated F-value and significance level with the established criteria. The results of the F-test are presented in the following ANOVA table.

Table 2. Simultan Test Result

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8071.405	2	4035.702	3299.494	.000[b]
	Residual	116.197	95	1.223		
	Total	8187.602	97			
a. Dependent Variable: Y						
b. Predictors: (Constant), X2, X1						

Source : SPSS 27, 2026

The simultaneous test shows an F-value of 3,299.494 with a significance value of <0.001. Since the significance value is below 0.05, H0 is rejected and H3 is accepted. This means that the Accounting Information System (X1) and Internal Control (X2) simultaneously have a positive and significant effect on MSME Performance (Y). Therefore, the combination of effective accounting information systems and internal control contributes significantly to explaining variations in MSME performance in Telanaipura Sub-district, Jambi City.

Table 3. Partial Test (t-Test)

Model	t	Sig.	Collinearity Statistics	
			Tolerance	VIF
1 (Constant)	-.488	.627		
X1	2.785	.006	.020	51.021
X2	8.608	.000	.020	51.021

Source : SPSS 27, 2026

The partial test indicates that the Accounting Information System (X1) has a t-value of 2.785 with a significance value of 0.006. Because 0.006 < 0.05, H0 is rejected and H1 is accepted. Thus, the Accounting Information System has a positive and significant effect on MSME Performance. This indicates that better implementation of accounting information systems, particularly in recording, processing, and providing financial information, is associated with better MSME performance.

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The Internal Control (X2) variable has a t-value of 8.608 with a significance value of <0.001. Since the significance value is below 0.05, H0 is rejected and H2 is accepted. Therefore, Internal Control has a positive and significant effect on MSME Performance. The standardized beta coefficient of X2 (0.752) is also substantially higher than that of X1 (0.243), indicating that Internal Control has the stronger relative contribution to MSME Performance in this regression model.

Coefficient of Determination (R^2)

The following table presents the coefficient of determination (R^2) obtained from the multiple linear regression analysis. The R^2 value is used to determine how well the Accounting Information System (X1) and Internal Control (X2) jointly explain the variation in MSME Performance (Y). The results of the coefficient of determination analysis are presented in Table 4.

Table 4. R Squared

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.993[a]	.986	.986	1.10595	1.879

Source : SPSS 27, 2026

The coefficient of determination shows an R Square value of 0.986 and an Adjusted R Square of 0.986. This means that 98.6% of the variation in MSME Performance can be explained jointly by the Accounting Information System (X1) and Internal Control (X2). The remaining 1.4% is explained by other factors that are not included in this research model. The R value of 0.993 also indicates a very strong overall relationship between the independent variables and MSME Performance.

DISCUSSION

Simultaneous Effect of Accounting Information Systems and Internal Control on MSME Performance

The simultaneous test shows that Accounting Information Systems (X1) and Internal Control (X2) jointly have a positive and significant effect on MSME Performance (Y). This result indicates that MSME performance is not only determined by the ability of business owners to generate sales, but also by their ability to manage accounting information and control business activities effectively. An Accounting Information System provides information regarding transactions, revenues, expenses, and business conditions, while internal control ensures that business activities and resources are managed properly. When these two components are implemented together, MSMEs can

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make better decisions, reduce errors and risks, improve operational efficiency, and ultimately achieve better performance.

This finding is consistent with the view of Romney and Steinbart (2021) that an effective Accounting Information System produces accurate, relevant, complete, and timely information to support managerial decision-making. It is also consistent with COSO (2017), which emphasizes that effective internal control supports operational effectiveness, reliable information, and risk management. Thus, the simultaneous significance found in this study can be explained theoretically because accounting information and internal control perform complementary functions in business management.

The finding is also supported by previous empirical research. Putri (2025) found that Accounting Information Systems and Internal Control simultaneously had a significant effect on MSME sales performance in Sungai Penuh City, although the partial effect of Internal Control was not significant in that particular study. Similarly, research in Banda Aceh found that Accounting Information Systems, product innovation, and Internal Control simultaneously affected MSME performance, with both Accounting Information Systems and Internal Control also showing significant partial effects. More recently, Roziy, Prihatni, and Ahmad (2026) reported that Accounting Information Systems and Internal Control had positive effects on MSME performance. These findings strengthen the argument that the combination of good financial information and effective control mechanisms can support improvements in MSME performance.

Effect of Accounting Information Systems on MSME Performance

The partial test shows that Accounting Information Systems have a positive and significant effect on MSME Performance. This means that improvements in the implementation of Accounting Information Systems are associated with improvements in MSME performance. In practical terms, an accounting information system helps MSME owners record transactions systematically, process financial data, obtain information when needed, and understand the financial condition of their businesses. Such information can be used to evaluate sales, control expenses, determine profitability, and support business decisions.

The positive effect can be explained through the quality of information generated by the system. When accounting information is accurate, timely, understandable, and reliable, business owners can identify financial problems more quickly and determine appropriate strategies. For example, accurate transaction records can help owners determine which products generate the highest sales, control unnecessary expenses, and evaluate whether business activities are generating sufficient profits. Therefore, the

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better the accounting information system is implemented, the greater the potential for improved business efficiency and performance.

This finding supports Romney and Steinbart (2021), who explain that Accounting Information Systems are designed to collect, record, store, and process transaction data into useful information for decision-making. It is also consistent with research by Renaldo et al., which found that Accounting Information Systems contribute positively to MSME performance. Likewise, Anggadini et al. (2024) reported that higher-quality Accounting Information Systems were positively associated with MSME performance, particularly through improved decision-making, internal control, and financial reporting quality. Research by Yunita and Fatmayani also found that Accounting Information Systems had a positive and significant effect on MSME performance in Binjai City. These findings support the results of the present study that effective accounting information is an important factor in improving MSME performance.

Effect of Internal Control on MSME Performance

The partial test also shows that Internal Control has a positive and significant effect on MSME Performance. This result indicates that MSMEs with better internal control tend to demonstrate better business performance. Internal control helps business owners establish clear procedures, identify potential risks, check transactions, monitor cash and assets, communicate business information, and evaluate operational activities. These mechanisms can minimize errors, prevent misuse of business resources, and ensure that business activities remain consistent with established objectives.

The relatively strong effect of Internal Control in this study can also be understood from the characteristics of MSMEs, which are generally managed directly by owners and have relatively simple organizational structures. Without adequate controls, business owners may have difficulty separating personal and business finances, monitoring inventory and cash, or identifying transaction errors. Effective internal control provides a structured mechanism for monitoring these activities. Consequently, better control can improve operational efficiency, protect business assets, and support the achievement of sales and profit targets.

This result is consistent with COSO (2017), which identifies control environment, risk assessment, control activities, information and communication, and monitoring as essential components of effective internal control. It is also supported by Mubarakah (2020), who found that internal control generally had a positive effect on MSME performance and highlighted the importance of the control environment, risk assessment, and information and communication. Furthermore, Roziy, Prihatni, and Ahmad (2026) found that internal control systems positively affected MSME performance. A recent study

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by Nurlaelah and Mudawanah (2026) also found that internal control, together with other financial management practices, had a significant positive effect on MSME performance.

CONCLUSION

Based on the results of the study, it can be concluded that Accounting Information Systems and Internal Control have a positive and significant effect on MSME Performance in Telanaipura Sub-district, Jambi City, both partially and simultaneously. The implementation of Accounting Information Systems helps MSME owners obtain accurate, relevant, and timely financial information for business decision-making, while effective Internal Control supports the protection of assets, risk management, transaction monitoring, and operational efficiency. Therefore, improvements in both factors can contribute to better MSME performance, as reflected in sales growth, profit growth, customer growth, asset growth, and business efficiency.

Based on these findings, MSME owners in Telanaipura Sub-district are recommended to improve the implementation of Accounting Information Systems by conducting regular and systematic transaction recording, processing financial data accurately, and using financial information as a basis for business decision-making. MSME owners should also strengthen Internal Control through clearer business procedures, regular transaction and asset checks, risk identification, effective communication, and periodic evaluation. In addition, relevant government agencies and MSME development institutions are encouraged to provide continuous training and assistance in accounting information systems and internal control so that MSMEs can improve their financial management and achieve more sustainable business performance.

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