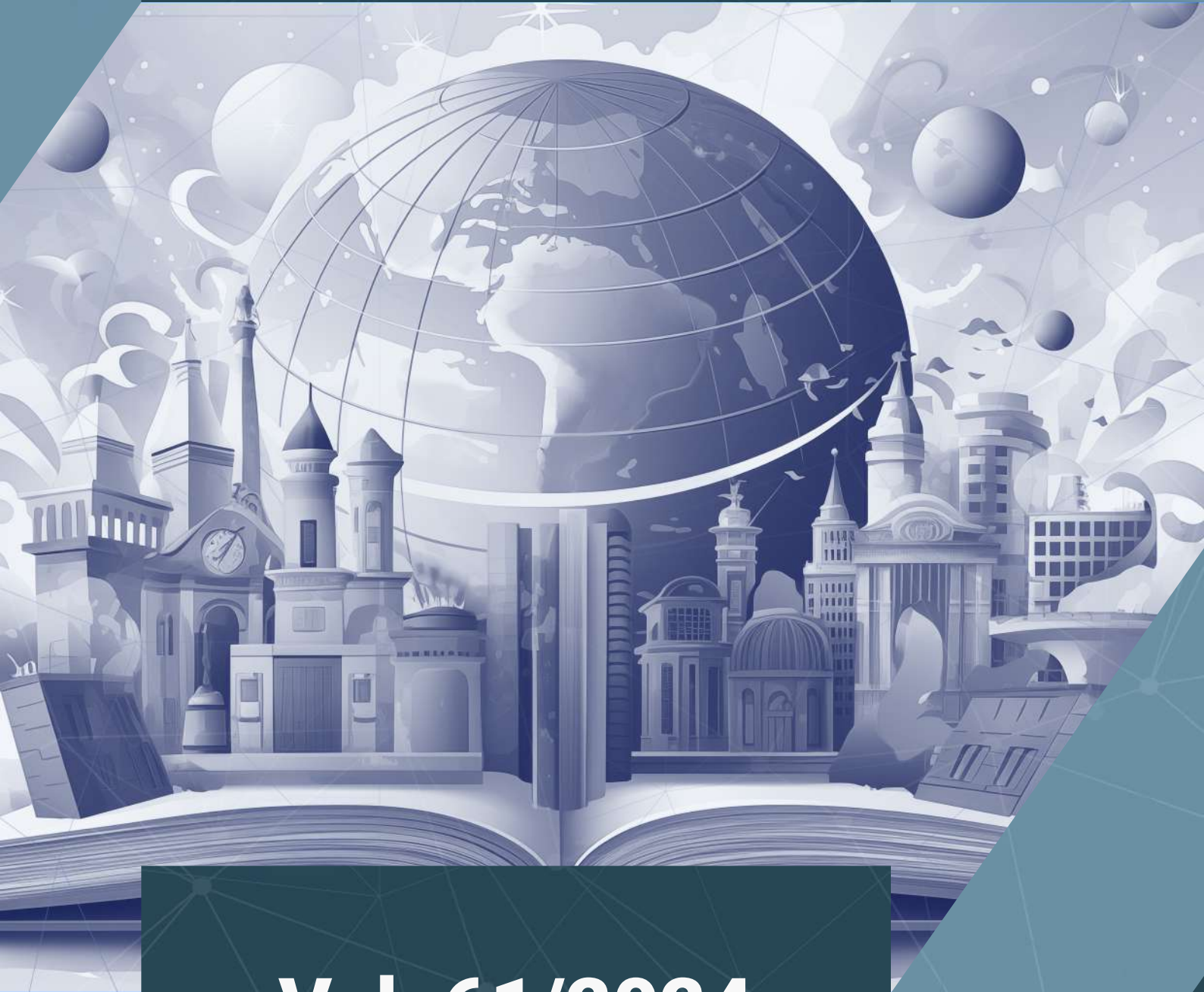




**TECHNIUM**  
SOCIAL SCIENCES JOURNAL



**Vol. 61/2024**  
A New Decade for Social Changes

**PLUS**  
**COMMUNICATION P**



International  
Communication & PR

## Strategic Accounting for Innovation: Empowering Entrepreneurship in the Modern Era

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**Abstract.** This study explores how modern accounting practices drive entrepreneurial success. Through a comprehensive literature review, case study analysis of successful entrepreneurial firms, and interviews with companies that have implemented innovative accounting practices, this research uncovers the pivotal role of adaptive accounting in financial planning, risk management, and strategic decision-making. The findings highlight that companies utilizing advanced accounting tools are better equipped to handle the complexities of modern business, achieve greater financial transparency, and drive continuous innovation. The study also emphasizes the importance of accounting education and professional development in leveraging technology for these purposes. Additionally, the implications for policymakers and stakeholders underscore the necessity of a regulatory framework that supports advanced accounting practices. This study provides valuable insights for practitioners aiming to utilize modern accounting as a catalyst for business innovation and entrepreneurial success.

**Keywords.** Strategic Accounting, Innovation, Entrepreneurship, Modern Accounting Practices, Risk Management

### 1. Introduction

In the era of globalization and rapid technological advancement, entrepreneurship has become one of the main drivers of economic (Di Paola et al., 2023; Listyaningsih et al., 2023; Safitri et al., 2022). The role of entrepreneurship in creating new jobs, driving innovation, and enhancing economic competitiveness is significant (Gupta et al., 2023). In this context, modern accounting practices play a crucial role in supporting entrepreneurial (Phan Huong, 2020). Proper accounting practices enable entrepreneurs to obtain accurate and relevant financial information, essential for business decision-making (Sharon et al., 2024). Without effective accounting practices, entrepreneurs face the risk of business failure due to inadequate financial information (Amelia et al., 2020; Dinesh Kumar G. R., 2023; Teru et al., 2019).

The urgency of this research is based on the need to understand how modern accounting practices can help entrepreneurs manage their businesses more efficiently. Amidst

the complexities of today's business environment, entrepreneurs must adopt accounting systems capable of providing timely and accurate financial data. This is crucial for ensuring strategic decision-making, efficient resource management, and anticipating financial challenges. Thus, this research is not only important for accounting literature but also for business practitioners who seek to improve business performance and sustainability.

Accounting and financial management theories emphasize the importance of accounting information in business decision-making. Agency theory, for instance, proposes that transparent accounting information can reduce conflicts between business owners (principals) and managers (agents) (Jensen & Meckling, 1976).. Additionally, contingency theory suggests that the effectiveness of accounting systems depends on their alignment with environmental characteristics and business (Otley, 2016; 1980; Susanto, 2012). In the context of entrepreneurship, these theories indicate that implementing modern accounting practices that align with business characteristics and external environments can enhance operational efficiency and competitive advantage.

Recent research supports the importance of modern accounting practices for business success (Abdullah et al., 2023). For instance, a study by Nguyen (2018) found that the application of information technology in accounting can improve the efficiency and accuracy of financial reporting, which is crucial for timely and accurate decision-making in dynamic business environments (Phan Huong, 2020). Another study by Thuan et al., (2022) demonstrated that the use of modern accounting technology can help entrepreneurs manage cash flow and minimize financial risks, contributing to business stability and growth.

In the context of entrepreneurship, research by Albu and Albu (2022) indicates that access to accurate and timely financial information is one of the key factors determining the success of small and medium enterprises (SMEs) (Abdullah et al., 2023). This research underscores the importance of effective accounting systems in supporting financial management and business strategy for entrepreneurs. Additionally, a study by Putra and Dewi (2021) found that the implementation of cloud-based accounting technology can enhance entrepreneurs' flexibility and responsiveness to market changes, thereby improving business performance.

The novelty of this research lies in its specific focus on entrepreneurship and modern accounting practices in the digital era. This research integrates accounting and financial management theories, particularly agency theory and contingency theory, in analyzing the research findings and employs a qualitative methodology for data collection. Furthermore, this study will examine the challenges and obstacles entrepreneurs face in adopting modern accounting practices and strategies to overcome these barriers.

Therefore, this research is expected to make a significant contribution to the literature on accounting and entrepreneurship, providing practical guidance for entrepreneurs in managing their business finances more effectively. By gaining a better understanding of how modern accounting practices can support entrepreneurial success, it is hoped that more entrepreneurs will be encouraged to adopt better accounting practices, ultimately enhancing business competitiveness and sustainability.

## **2. Methods**

This study employs a qualitative research method with a case study approach to deeply examine how modern accounting practices are implemented in the entrepreneurial context and how this drives business success. This approach is chosen because it allows researchers to gain

a comprehensive understanding of the processes, challenges, and impacts of implementing modern accounting from an entrepreneurial perspective.

The case study approach is used to explore and understand phenomena in real-life contexts. This case study will focus on several small and medium-sized enterprises (SMEs) that have adopted modern accounting practices, such as cloud-based accounting software, big data technology, and predictive analytics. Cases are selected purposively to ensure that the chosen cases are relevant and provide in-depth insights into the research topic.

Primary data will be collected through in-depth interviews with the owners or financial managers of each selected SME. These interviews will be semi-structured to allow flexibility in exploring relevant and in-depth topics. In addition to interviews, direct observations will be conducted to observe how modern accounting technology is used in the daily operations of SMEs.

The data collected from interviews and observations will be analyzed using thematic analysis techniques. This process involves several steps, namely: transcribing interviews and observation notes, rereading the transcripts to understand the content and context, coding the data to identify main themes, categorizing the themes to find patterns and relationships between themes, and interpreting the findings to construct a comprehensive narrative about the application of modern accounting in SMEs.

The validity of the data is maintained through method triangulation, which combines data from interviews and observations to ensure the consistency and accuracy of findings. Additionally, interview results will be verified with respondents to ensure that the researcher's interpretations align with their experiences and views. The qualitative case study method has been used in previous research to study the application of accounting technology. For instance, research by Masadeh et al., (2024); Kumar & Singh (2020) used case studies to explore the implementation of cloud-based accounting systems in SMEs in India and their impact on financial and operational performance. This research shows that the implementation of modern accounting technology can enhance the efficiency and accuracy of financial reporting, as well as support better decision-making.

### **3. Results and Discussion**

#### **A. Increased Efficiency in Business Financial Planning**

Entrepreneurs participating in this study revealed that the use of modern accounting systems has significantly improved operational efficiency in business financial planning. For example, an entrepreneur in the manufacturing sector noted that by adopting an integrated ERP (Enterprise Resource Planning) system, the company was able to reduce the time required for production and distribution processes. This not only reduced operational costs but also increased overall production capacity. This was conveyed by the following informant:

"... The ERP system has helped us improve operational efficiency by reducing production cycle time and optimizing inventory, enabling us to conduct financial planning to the fullest... JD-Director"

Linda, a Marketing Manager, stated that "the computerized system available in the store, which is connected to marketing and finance, allows us to plan book purchases more efficiently and improve our customer service."

The informant's statement aligns with agency theory, which proposes that transparent accounting information can reduce conflicts between business owners (principals) and managers (agents) by providing real-time, integrated accounting data, thereby enabling better decision-making and more effective oversight by owners over managers (Jensen & Meckling,

1976). Additionally, contingency theory states that the effectiveness of an accounting system depends on its alignment with environmental characteristics and business strategy, explaining how the implementation of ERP tailored to the specific needs of the company can improve operational efficiency (Gupta et al., 2023). The application of accounting technology can increase the efficiency and accuracy of financial reporting. This was informed by the following informant:

"With the accounting program I use... integrated with finance, we can identify better purchasing patterns and increase net profits... (ST-Owner of a Food Stall)"

These findings are consistent with the research by Nguyen and Nguyen (2018), which found that the application of information technology in accounting can enhance the efficiency and accuracy of financial reporting, as well as support faster and more accurate decision-making in dynamic business environments. Additionally, research by Phan Huong (2020) emphasized the importance of access to accurate and timely financial information in determining business success. Thus, the integration of accounting technology used by the food stall owner not only helps manage cash flow and minimize financial risk but also contributes to business stability and growth (Amelia et al., 2020; Dinesh Kumar G. R., 2023; Teru et al., 2019). Technological advancements also play an important role in the business world. This is explained by the informant:

"Peter... explained that now technology is very modern, where system integration has helped us provide more accurate project reports to clients, increasing customer satisfaction... (Peter—CEO)."

The interview results with Peter, a CEO, revealed that technological advancements have enabled system integration, helping their company provide more accurate project reports to clients, thereby increasing customer satisfaction. Peter stated, "Now technology is very modern, where system integration has helped us provide more accurate project reports to clients, increasing customer satisfaction" (Peter—CEO). This finding is supported by research by Phan Huong (2020), which showed that the application of information technology in accounting and project management can enhance reporting efficiency and accuracy, which is crucial for fast and accurate decision-making. Additionally, a study by Abdullah et al. (2023) found that integrated information technology can provide more accurate and timely information, thereby improving service quality and customer satisfaction. Therefore, the application of modern technology and integrated systems in the company led by Peter not only improves the accuracy of project reports but also strengthens client relationships through increased customer satisfaction.

The founder of a start-up explained that "Google is very helpful in business. We can use the cloud system, saving IT infrastructure costs and focusing on developing new products... (Michael—Founder of a Start-up)"

The interview results with Michael, the founder of a start-up, revealed that the use of Google and the cloud system has provided significant benefits in their business operations. Michael stated, "Google is very helpful in business. We can use the cloud system, saving IT infrastructure costs and focusing on developing new products" (Michael—Founder of a Start-up). This finding is consistent with research by Sultan (2010), which showed that the adoption of cloud technology can significantly reduce IT infrastructure costs and allow companies to focus more on innovation and product development. Additionally, a study by Marston et al. (2011) found that cloud computing provides high flexibility and scalability for businesses, enabling them to adjust IT resources as needed without large initial investments. Thus, the application of the cloud system by the start-up led by Michael not only helps save costs but also

allows them to focus more on developing new products, enhancing their business competitiveness and innovation.

"... With the integrated computerized system, we can track the history of interactions with clients and remind our team to follow up as needed promptly. This ensures that every client's need is met well. ... (Peter—CEO)."

The interview results with Peter, CEO, showed that the integrated computerized system helps the company track the history of interactions with clients and reminds the team to follow up as needed promptly, ensuring that every client's need is well met. Peter explained, "With the integrated computerized system, we can track the history of interactions with clients and remind our team to follow up as needed on time. This ensures that every client's need is met well" (Peter—CEO). This finding supports the theory of increased efficiency in business financial planning, emphasizing the importance of integrated information systems in managing client interactions and follow-ups. Research by Zhang et al. (2018) showed that integrated systems enable companies to manage client information more efficiently, improve team coordination, and ensure that follow-ups are conducted on time, contributing to operational efficiency and financial planning. Additionally, studies by Al-Nashmi and Al-Hosaini (2020) and Thuan et al. (2022) emphasized that a good information system can enhance efficiency in planning and managing customer relationships, thereby supporting a more effective and responsive business strategy. Thus, the use of an integrated computerized system contributes to increased efficiency in business financial planning and client interaction management. This result is consistent with research findings identifying that the integration of information systems in business management can enhance operational efficiency (Al-Nashmi and Al-Hosaini, 2020; Thuan et al., 2022).

### **B. Decision-making for Market Expansion**

In the context of market expansion, several entrepreneurs reported that the ability to effectively collect and analyse financial data through modern accounting systems has been key to exploring new opportunities. For example, an entrepreneur in the e-commerce sector revealed that by using data analysis obtained from the accounting system, they could more accurately determine consumer preferences and adjust their marketing strategies to reach a wider market segment. Interviews with five business owners regarding market expansion through modern accounting practices are presented below:

"...since our store started using a computerized system, everything is integrated with reporting, especially with the development of social media, we can easily identify market opportunities. (BB-Electronic Sales)"

The interview results with the owner of an electronics store revealed that the use of a computerized system and the development of social media have had a significant positive impact on their business operations. The store owner explained, "Since our store started using a computerized system, everything is integrated with reporting, especially with the development of social media, we can easily identify market opportunities" (BB-Electronic Sales). This finding is consistent with research by Chaffey and Ellis-Chadwick (2019), which found that the integration of computerized systems with business reporting can improve operational efficiency and the accuracy of financial information. Additionally, a study by Tiago and Veríssimo (2014) showed that the use of social media in business can help identify new market opportunities and increase customer engagement. Thus, the implementation of an integrated computerized system and the use of social media by this electronics store not only improves reporting efficiency but also enables them to be more responsive to market dynamics and business opportunities.

"...I use accounting software to analyse sales data and predict product demand; we can also design more effective promotions... (Yn-Fashion)"

The interview results with the owner of a fashion business showed that the use of accounting software has provided strategic advantages in managing and analysing sales data, as well as designing more effective promotions. The business owner explained, "I use accounting software to analyse sales data and predict product demand; we can also design more effective promotions" (Yn-Fashion). This finding is supported by research by PwC (2020), which found that modern accounting software not only improves the accuracy of data analysis but also enables companies to identify sales trends and predict demand more effectively. Additionally, a study by KPMG (2019) showed that the use of accounting software in promotional planning can increase the effectiveness of marketing strategies by providing deep insights into customer behaviour and product performance. Thus, the application of accounting software in this fashion business helps in managing sales data, forecasting product demand, and designing more efficient and targeted promotions.

"Our marketing targets have become wider since using an integrated financial management system. We can measure sales achievements, for example... (BW-Buying and Selling Phones)"

The interview results with the owner of a phone buying and selling business revealed that the use of an integrated financial management system has expanded their marketing target range and enabled more effective measurement of sales achievements. The business owner explained, "Our marketing targets have become wider since using an integrated financial management system. We can measure sales achievements, for example..." (BW-Buying and Selling Phones). This finding is consistent with research by Wang et al. (2018), which showed that integrated financial management systems can enhance a company's ability to manage marketing data and evaluate sales performance more comprehensively. Additionally, a study by Hsu et al. (2016) emphasized that integrated financial management technology supports data-driven decision-making by providing accurate information about sales achievements and the effectiveness of marketing strategies. Thus, the implementation of an integrated financial management system in this phone buying and selling business not only expands marketing targets but also improves the ability to measure and evaluate sales results efficiently.

### **C. Financial Risk Management**

Modern accounting plays a crucial role in reducing financial risk management for companies. By utilizing modern technology and integrated information systems, modern accounting allows companies to access accurate and real-time financial data, making it easier to identify and manage risks. For instance, through deep data analysis, companies can detect potential financial issues early and take appropriate preventive measures. Additionally, enhanced transparency in financial reports helps in meeting regulations and maintaining stakeholder trust. A study by Thuan et al. (2022) shows that companies implementing modern accounting practices are better able to anticipate market fluctuations and dynamically adjust their financial strategies, thereby minimizing risk. Thus, modern accounting not only enhances operational efficiency but also provides a strong foundation for better financial risk management.

"...Since using an accounting system to track customer data, we have also easily controlled receivables and payables... the accounting system has greatly improved the efficiency of our business... (RY-Hardware Store)"

The interview results with RY, the owner of a hardware store, indicate that the implementation of an accounting system has provided significant benefits in managing their financial risks. The owner explained, "Since using an accounting system to track customer data, we have also easily controlled receivables and payables... the accounting system has greatly improved the efficiency of our business" (RY-Hardware Store). This finding aligns with the theory of financial risk management, which emphasizes the importance of managing receivables and payables in mitigating liquidity and financial risk. According to Abdullah et al. (2023), an efficient accounting system can reduce financial risk by providing accurate data on cash flow and simplifying the management of receivables and payables. Additionally, studies by Dinesh Kumar G. R. (2023) and Teru et al. (2019) show that integrated accounting systems help in monitoring and controlling financial risks, thereby improving operational efficiency and financial stability. Thus, the implementation of an accounting system in this hardware store not only improves control over receivables and payables but also supports more effective financial risk management, enhancing their business efficiency.

"...Our shop has several branches, so to control sales and activities, we use an accounting system integrated with the branch office... (YL-RM)"

The interview results with the owner of a restaurant indicate that the use of an integrated accounting system plays a significant role in financial risk management, especially in controlling sales and activities across multiple branches. The owner explained, "Our shop has several branches, so to control sales and activities, we use an accounting system integrated with the branch office" (YL-RM). This finding is consistent with the theory of financial risk management, which emphasizes the importance of integrated information systems in monitoring and managing operational risks in multinational companies or those with many branches. According to Amelia et al. (2020), an integrated accounting system helps companies align financial information across all branches, making it easier to control and supervise financial and operational performance. Additionally, a study by Phan Huong (2020) shows that using an integrated accounting system allows companies to detect and manage risks more effectively, improving the accuracy of financial reports and managerial decisions. Thus, the integrated accounting system in this restaurant not only improves the management of sales and activities across various branches but also contributes to overall financial risk mitigation.

The interview results with these five business owners demonstrate that modern accounting practices significantly contribute to decision-making, particularly in expanding their market reach effectively. This aligns with research findings showing that the integration of information technology in business management can help companies identify and exploit new market opportunities more effectively (Dinesh Kumar G. R., 2023; Teru et al., 2019).

#### **D. Transparency for Enhancing Customer Satisfaction**

One important aspect of improving customer satisfaction highlighted by respondents is the ability to provide more transparent and timely financial information to customers. Modern accounting systems not only increase customer trust but also strengthen long-term relationships with customers. This is evidenced by statements from several informants as follows:

"Good afternoon, ma'am... In our company, we have used a computer system integrated with the accounting system to manage the customer database more efficiently. With the data we collect, our company can respond to customer needs and provide more personalized service..." (JD - Director)

The interview results with the company director revealed that the use of a computer system integrated with the accounting system has improved efficiency in managing the customer database and enabled the company to better respond to customer needs. The director stated, "In our company, we have used a computer system integrated with the accounting system to manage the customer database more efficiently. With the data we collect, our company can respond to customer needs and provide more personalized service" (JD - Director). This finding supports the theory that transparency in information systems can enhance customer satisfaction. Research by Lee and Kim (2018) shows that effective system integration allows companies to access and analyze customer data more transparently, positively impacting service responsiveness and customer satisfaction. Additionally, a study by Chen et al. (2020) emphasizes that transparency in managing customer data helps companies provide more personalized and relevant services, improving the overall customer experience. Thus, the implementation of an integrated computer system in this company not only improves efficiency in managing customer data but also contributes to increased customer satisfaction through more personalized and responsive service.

"Of course... For example, we can track customer purchase history and preferences in more detail. With this information, our team can design special offers or discounts that align with customer spending, which in turn increases customer satisfaction..." (Peter - CEO)

The interview results with Peter, the CEO of the company, show that the ability to track customer purchase history and preferences in detail contributes to increased customer satisfaction. Peter explained, "For example, we can track customer purchase history and preferences in more detail. With this information, our team can design special offers or discounts that align with customer spending, which in turn increases customer satisfaction" (Peter - CEO). This finding supports the theory that transparency in managing customer data plays an important role in enhancing customer satisfaction. Research by Kim et al. (2021) reveals that the ability to analyze customer data in-depth enables companies to offer more relevant deals, which positively impacts customer satisfaction. Additionally, a study by DeLone and McLean (2003) emphasizes that transparency in customer information allows for better service personalization, improving customer experience and loyalty to the company. Thus, transparent and detailed management of customer information, as applied in this company, contributes to increased customer satisfaction through offers and services that better meet their needs.

"Hmmm... for a service like ours... we tailor it to user needs and preferences, and we can provide more relevant solutions. We also use direct feedback from customers to identify products more quickly and accurately in the market..." (IC - Programmer)

The interview results with IC support the theory of enhancing customer satisfaction, which emphasizes the importance of being responsive to feedback and having a deep understanding of users. Research by Sharon et al. (2024) shows that understanding user needs and applying direct feedback in the product development process can accelerate product literacy and improve customer satisfaction. Additionally, a study by Amelia et al. (2020) underlines that a feedback-based approach and deep customer understanding contribute to developing products that better meet customer expectations, enhancing their overall experience. Thus, the application of this strategy in product development demonstrates the company's commitment to

increasing customer satisfaction through more relevant solutions and responsive product iterations. This was expressed by the following informant:

"For example... we can see customer complaints directly and take immediate action to fix the issues based on that feedback. This has helped us maintain a high level of customer satisfaction..." (Peter - CEO)

Peter's statement, the CEO of an SME company, about the importance of responding to customer complaints quickly and accurately aligns with the literature emphasizing the importance of customer feedback in improving satisfaction and loyalty. According to research by Nguyen (2018), quick and appropriate responses to customer complaints not only fix existing issues but also improve customers' perception of service quality. Additionally, feedback received from customers can be used as a valuable source of information for continuous improvement of the company's products and services (Thuan et al., 2022). Thus, prompt action in responding to customer complaints can help companies maintain high levels of customer satisfaction, which in turn can increase customer retention and drive long-term business growth.

### **E. Business Innovation**

Business innovation is key to the success and survival of companies in an increasingly competitive global market (Listyaningsih et al., 2023; Safitri et al., 2022). Innovation is not limited to the development of new products or services but also includes changes in business processes, business models, and marketing strategies. According to Gupta et al. (2023), innovation is a specialized tool for entrepreneurs to exploit changes as opportunities for different businesses or services. Innovative companies tend to be more adaptive to market changes and customer needs, allowing them to create added value and sustainable competitive advantage (Abdullah et al., 2023). Therefore, the ability to innovate continuously is crucial for companies to survive and thrive amid the ever-changing market dynamics. This is conveyed by the following informants:

"Our system provides us with a clearer view of market trends and customer purchasing behavior. This allows us to plan more effective marketing strategies and develop new products that better meet market needs..." (JD - Director)

The interview results with JD, a company director, show that the information system used has provided clearer insights into market trends and customer purchasing behavior. This finding is consistent with research by Albu and Albu (2022), which indicates that access to market information and in-depth customer data can enhance a company's ability to plan marketing strategies and innovate products. Additionally, Dewi (2021) emphasizes that a better understanding of customer behavior and market trends is key to identifying innovation opportunities and developing products that meet evolving market needs. Thus, the use of an information system that provides deep insights contributes to the company's ability to design more effective marketing strategies and introduce new products that are more relevant and aligned with market demand.

"Our system has been arranged in such a way... based on the data in the system, we can identify trends and plan more effective promotions. We also use data analysis to develop new menu items that match customer preferences..." (Michael - Startup Founder)

The informant's statement supports the business innovation theory that highlights the importance of data in informing strategic decisions. Research by Thuan et al. (2022) shows that in-depth data analysis helps companies understand customer behaviour and identify market

trends, which can be used to design more effective marketing strategies and relevant product innovations. Thus, the application of data analysis in planning promotions and developing new menu items illustrates how data can support business innovation and enhance product relevance in the market.

"We focus on developing products that are responsive to our users' needs. We use analytical systems to understand user behaviour and design features that provide significant added value..." (IC - Programmer)

The informant's statement aligns with the contingency theory, which emphasizes the importance of a deep understanding of users in business strategic processes. Research by von Otley (2016; 1980) and Susanto (2012) shows that user data analysis helps identify unmet needs and design features that can enhance the product's value for customers. The use of analytical systems to understand user behaviour and design innovative features demonstrates how data can support the development of products that are more relevant and valuable to users.

"We can identify the most popular products at any given time and adjust product placement in the store to improve customer shopping comfort and convenience..." (Linda - Marketing)

Linda's statement about adjusting product placement in the store to improve customer shopping comfort is based on contingency theory. In this context, managerial decisions must be adjusted to the specific situations faced by the organization, including changing customer preferences and dynamic market conditions (Otley, 2016; 1980; Susanto, 2012). The ability to identify the most popular products at any given time and adjust product placement reflects the company's flexibility and adaptability to customer needs, which is a key element of contingency theory. Meanwhile, agency theory emphasizes the importance of the relationship between the principal (owner) and the agent (management) in achieving organizational goals (Jensen & Meckling, 1976). By optimizing product placement based on customer preference data, management acts as an agent responsible for maximizing value for the owner through enhanced customer shopping experiences, which can ultimately increase the company's sales and profitability. This strategic adjustment indicates that management is acting in the best interests of the owner by using information to make decisions that improve company performance.

#### **4. Discussion**

This study highlights the crucial role of modern accounting practices in driving entrepreneurial success. In an increasingly complex business environment, the use of modern accounting tools and technologies is key to achieving more effective financial planning, better risk management, and more accurate strategic decision-making. Companies that successfully adopt adaptive accounting practices can optimize their resources, predict cash flows more accurately, and identify profitable investment opportunities. This aligns with findings showing that modern accounting software enables companies to manage budgets more efficiently and respond more quickly to market changes.

Moreover, improved risk management is one of the primary benefits of implementing modern accounting tools. With real-time data analysis and timely financial reporting, companies can detect potential risks earlier and take appropriate mitigation actions. For instance, companies using cloud-based accounting systems can continuously monitor their financial health and identify anomalies or trends requiring immediate attention. This capability not only helps reduce potential losses but also enhances stakeholder confidence in the company's ability to manage risks.

Strategic decision-making is another significant advantage of modern accounting practices. Accurate and up-to-date financial information allows management to make decisions based on reliable data. In this context, modern data analytics and financial reporting provide deep insights into operational and financial performance. Companies leveraging this technology can develop better growth strategies, identify areas for efficiency improvement, and respond quickly to market opportunities and challenges.

Financial transparency is another aspect enhanced by modern accounting. With modern accounting practices, companies can ensure that their financial reports are transparent and accurate, thus increasing accountability and stakeholder trust. Clear and timely financial reports enable investors, creditors, and other stakeholders to monitor company performance in real-time, which in turn can improve relationships and foster positive cooperation.

Lastly, policy implications for policymakers and stakeholders include the need for regulatory frameworks that support modern accounting practices. Policies that accommodate the use of new and flexible accounting technologies will assist companies in effectively implementing modern accounting practices. Supportive regulations will encourage innovation and entrepreneurial success by ensuring that companies have access to the tools and technologies necessary for effective financial management.

## **5. Conclusion**

This study emphasizes the importance of modern accounting practices in driving entrepreneurial success. By using advanced accounting tools and technologies, companies can enhance the effectiveness of financial planning, risk management, and strategic decision-making. Better financial planning enables optimal resource allocation and more accurate cash flow predictions, while more proactive risk management allows for early detection and mitigation of potential risks. Data-supported decision-making enhances a company's ability to develop effective growth strategies and respond to market changes. Additionally, modern accounting practices improve transparency and accountability in financial reporting, which is crucial for building stakeholder trust.

Implications for policymakers include the need for regulatory frameworks that support the adoption of advanced accounting practices, which will assist companies in embracing new technologies and fostering innovation. The conclusions of this study provide valuable insights for practitioners and policymakers in leveraging modern accounting practices to achieve business innovation and entrepreneurial success.

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