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Accounting Implementation, Accountability, Strategy Implementation, and Company Performance: Interconnections and Implications

Fransisca Dila Oktaviani[1], Amalia Khoirunisa[2], Fitania Safitri[3]

Abstract*: In the current era of globalization and intensified business competition, ensuring optimal company performance is imperative for survival and growth. To achieve this, companies often adopt various management strategies, including responsibility accounting. Responsibility accounting divides organizations into smaller units of responsibility, enhancing accountability and focus on overarching company objectives. Additionally, effective strategy implementation is crucial for gaining competitive advantage. This study examines the impact of accounting implementation, accountability, and strategy implementation on company performance. Key impacts include increased accountability and transparency, as well as optimization of resource usage. By analyzing these factors, companies can enhance their performance and strategic outcomes.*

Keywords*: implementation of accounting, accountability, strategy implementation, company performance*

INTRODUCTION

In the contemporary landscape of globalization and heightened business competition, companies face escalating pressure to ensure their sustained performance and growth. To navigate these challenges, companies employ a range of management strategies, one of which is responsibility accounting. Responsibility accounting, by dividing organizations into smaller units of accountability, aims to bolster performance and align efforts with overarching company goals. Concurrently, effective strategy implementation plays a pivotal role in securing competitive advantages. This study aims to investigate the relationship between the implementation of accounting, accountability, strategy implementation, and company performance. By elucidating these connections, organizations can better understand how to optimize their performance and strategic outcomes in today's dynamic business environment.

LITERATURE REVIEW

Responsibility accounting information is the output of the responsibility accounting system. The concept of responsibility accounting information has experienced development, in line with the cost control methods used in companies. In traditional responsibility accounting systems, responsibility accounting information is asset, income and cost information that is associated with the manager responsible for a particular responsibility center. In *the activity-based responsibility accounting system,* information on assets, income and costs is linked to value-adding and non-value-adding activities Kusmayadi and Kartawan (2005).

Lower level management is obliged to be accountable for the implementation of this authority to their superior managers. Thus, authority flows from the top manager level to the bottom, while responsibility flows the other way around. Therefore, management needs for accounting

information to assess accountability for the implementation of authority. Accounting information related to responsibility for the implementation of authority is called responsibility accounting information. The authority possessed by a manager puts him in a position to control something that is under his authority. (Mulyadi, 2001: 166).

1. Controlled Assets

Assets whose acquisition and use are under the authority of the responsibility center manager b. Assets whose use is within the authority of the responsibility center manager are in the hands of top managers.

2. Controlled Costs

The occurrence of costs in a responsibility center is not always a result of decisions taken by the manager of the responsibility center concerned. Because not all costs that occur in a responsibility center can be controlled by the manager concerned, in collecting and reporting costs for each responsibility center, controllable and uncontrollable costs must be separated. In fact, to separate costs into controllable and uncontrollable costs, difficulties are often encountered. Only small costs incurred are a person's responsibility.

The most competent managers spend a significant amount of time thinking about the future. Strategic planning is the process of deciding on the programs that will be implemented by an organization and estimating the amount of resources that will be allocated to each program over the next few years.

3. Strategy Formulation

The strategic planning process then takes the goals and strategies that have been determined and develops programs that will implement the strategy and achieve these goals efficiently and effectively. The document that explains how strategic decisions will be implemented is a strategic plan. Strategies are reexamined in response to perceived opportunities or threats. Thus, ideally, possible strategic initiatives can emerge at any time from anyone in the organization.

If it is deemed worth pursuing, then the initiative should be analyzed immediately, without waiting for a predetermined schedule.

Conceptually, the implications of each decision for the next five years should be included in the strategic plan as soon as the decision is made. In particular the plan does not reflect the applicable basis for testing the review of strategies and programs which is one of the main values of the plan. But practically speaking, very few organizations continuously update their strategic plans. The update involved more paper work and computer time than management thought was appropriate.

Therefore the first step in the annual strategic planning process is to review and update the strategic plan approved last year. Planning staff generally does the updating. Management may be involved if there is uncertainty or ambiguity in program decisions that must be resolved.

4. Company performance

And Russell, 1993 defines performance as recording the results obtained from certain job functions or activities over a certain period of time.

5. Company

Corporate strategy is related to the company mission, business strategies required to achieve company goals and the business environment. Business strategy includes planning, implementation and monitoring. According to Husein Umar, the components used to analyze company strategy consist of the business strength dimension and the company or individual attractiveness dimension. The dimensions of business strength consist of product price, number of outlets, monthly turnover, monthly sales potential and number of visitors to the outlet.

The attractiveness dimension consists of consumer market share and consumer spending potential. From the results of the analysis of these components, strategic steps that the company can take can be determined, such as optimizing production equipment, the amount of promotional costs and so on. The main role in marketing management includes making decisions regarding marketing aspects.

RESEARCH METHODS

a. Implementation of responsibility accounting (X_1)

To evaluate the achievements of managers of responsibility centers and ensure that each manager and worker in the organization strives towards a goal set by top management (Kusmayadi and Kartawan, 2005) .

The measurement scale used is an interval scale with type *Semantic Differential* measurement scale where this scale is composed on a continuum with very positive answers on the right and the negative is located on the left or even vice versa.

b. Strategy Implementation

It is one of the stages of the strategic management process which begins with the strategy formulation stage which is the development of a long-term plan to create effective management through an assessment of environmental opportunities and threats, seen from the company's strengths and weaknesses (Kusmayadi and Kartawan, 2005).

The measurement scale used is an interval scale with a *Semantic Differential measurement scale type* where this scale is arranged in a continuum with very positive answers on the right and negative answers on the left or even vice versa.

Very bad 1 2 3 4 5 6 7 Very good

- Answer values 1, 2 and 3 indicate that the strategy implementation is very poor
- A score of 4 indicates sufficient implementation of the strategy .
- Answers of values 5, 6 and 7 indicate that the implementation of the strategy is very good

c. Company Performance (Y)

It is the achievements achieved by an organization or entity in a certain accounting period which are measured based on comparisons with various standards. (Kusmayadi and Kartawan, 2005)

Population , Sample and Sample Determination Technique

Population is a generalized area consisting of: objects/subjects that have quantity And characteristics certain Which set by researcher For studied Then withdrawn the conclusion (Sugiyono, 2003: 55). The population of this study were all branch managers of PT. CLASIES STAR PROBOLINGGO in Indonesia, namely 130 people

A sample is part of a population (Nazir. 1999: 325). The sampling technique was carried out using a *" non probability sampling " approach.* with the *"purposive sampling " method .* The definition of *non -probability sampling* is a sampling method where the researcher does not give members of the population the same opportunity to be sampled. Meanwhile, *purposive sampling* is a sample determination technique which is carried out by taking samples based on certain objectives (Sugiyono, 2003: 56).

Validity Test , Reliability Test , Normality Test , Assumption Test Classic

Validity tests are carried out to determine the extent to which the measuring tool (questionnaire) measures what is desired. Whether the measuring instrument is valid or not can be tested by correlating the score of each question with the total score from the sum of all question scores (Sumarsono, 2002: 31).

According to Santoso (2001: 277), the basis for decision making that is :

1. If r results are positive, and r results > r table, then the item or question item is valid.
2. If r results are not positive, and r results < r table, then the item or question item is invalid.

Results and Discussion

From the picture that , obviously that H_0 rejected and H1 accepted Because $t_{count} > t_{table}$ (6.783 > 1.985) is supported with significance of 0.000 ($p < 0.05$) or in other words proven that variable free in study This namely Company Performance (Y) has an influence significant to variable bound that is Accountancy Accountability (X_1).

From the picture that , obviously that H_0 rejected and H_1 accepted Because $t_{count} > t_{table}$ (5.903 > 1.985) is supported with significance of 0.000 ($p < 0.05$) or in other words proven that variable free in study This is what Strategy Implementation (X_2) has an effect on significant to variable bound namely Company Performance (Y).

CONCLUSION

the analysis results and the discussion described in the previous chapter, it can be concluded that:

1. The application of responsibility accounting has an effect on company performance on PT.
2. Strategy implementation influences company performance at PT.

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