

ENHANCING SME FINANCIAL PERFORMANCE THROUGH ACCOUNTING INFORMATION SYSTEM ADOPTION: A BUSINESS-MODIFIED UTAUT2 APPROACH IN INDONESIA

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ABSTRACT

In many developing countries, small and medium-sized enterprises (SMEs) play an important role in driving economic growth. Given the important role of SMEs in driving economic growth, we wanted to examine the impact of accounting information system (AIS) digitization on the financial performance of SMEs in Indonesia. Several studies acknowledge that accounting information system (AIS) digitization has significantly improved the financial performance of small and medium-sized enterprises (SMEs). To determine the financial performance of SMEs in Indonesia, this study was conducted using a customized UTAUT2 framework and SEM-PLS analysis to investigate the influence of AIS adoption. Based on data analysis from 300 SMEs across various industries, this study revealed a statistically significant relationship between AIS and critical financial performance metrics, including revenue growth, cost efficiency, and profitability. Although the implementation of AIS has inherent limitations, such as a lack of technical expertise and high costs, this analysis offers a viable alternative. Based on the study's findings, it is suggested that incorporating components tailored to SMEs can expand the scope of the UTAUT2 model, thereby providing a comprehensive framework to drive digital transformation in developing countries.

Keywords: Digitalization, Accounting Information Systems, SMEs, Financial Performance, Indonesia, AIS Adoption

1. INTRODUCTION

Significant developments in several international industrial sectors have been sparked by the digital transformation of corporate business processes. A key tool for accounting decision-making in a variety of industries, the Accounting Information System (AIS) has experienced system changes that have increased business process efficiency and optimization. It has been demonstrated that small and medium-sized enterprises (SMEs) in modern Indonesia have a significant impact on the country's economic environment. In 2024, a sizable percentage of businesses, a sizable component of the workforce, and a sizable amount of the country's GDP still exist [1];[2]. Even so, small and medium-sized enterprises (SMEs), which are generally considered to be essential to the country's economic well-being, continue to demonstrate decreased efficiency as a result of changes in the economy. There has been a discernible shift in corporate and enterprise practices in recent years toward the adoption of more advanced accounting systems.

The implementation of AIS digitalization in a business can help address this inefficiency, thereby reducing errors caused by human error and facilitating the business's compliance with financial standards in Indonesia. Research indicates that SMEs that adopt AIS digitalization experience a 15% decline in administrative costs and 20-30% increase in financial report accuracy [3];[4]. Similarly, the comprehensive data obtainable through AIS digitalization facilitates expedited, precise, and focused management decision-making [5];[6]

Presently, the adoption of AIS Digitalization among SMEs remains quite limited. As of the present date, only 35% of SMEs in Indonesia have implemented AIS, while 65% are in ASEAN countries [7]. It is my estimation that there are three primary factors contributing to the low rate of adoption in Indonesia. Firstly, a paucity of literature and insight into the system exists. It is evident that their competencies and proficiencies are inherently constrained when it comes to the operation of AIS. Additionally, the financial resources allocated for the implementation of the project are extremely limited [8];[9]. SMEs in Indonesia also more often refuse to digitize because of their aversion to adopting new technologies [9].

The extant research relevant to the adoption of Accounting Information System (AIS) remains quite limited, particularly with regard to the adoption of AIS by small and medium-sized enterprises (SMEs) in developing countries. However, previous studies have addressed the adoption of AIS in developed countries. Until this point in time, the Republic of Indonesia has been classified as a developing nation. There is a discrepancy in the socio-economic and technological conditions of Indonesia in comparison to those of developed countries. It is imperative to acknowledge this discrepancy to formulate an effective strategy that will increase the adoption and utilization of AIS.

The objectives of this study are to:

- An assessment of the level and practice of AIS adoption in SMEs in Indonesia is necessary to determine the current state of adoption and utilization of AIS within the Indonesian SMEs sector.
- It is imperative to discern the opportunities and challenges innate in the adoption of AIS.
- The present study aims to measure the impact of AIS digitalization on SMEs financial performance.
- It is recommended that suggestions and recommendations be made to overcome barriers to AIS adoption.

This study adapts the UTAUT2 framework by integrating constructs relevant to SMEs, such as financial resources and technology readiness, to understand the adoption of AIS. The study addresses fundamental research questions concerning the effects of the aforementioned factors on the development of the subject.

- The present study seeks to examine the manner in which UTAUT2 constructs influence the adoption of AIS.
- The following inquiry is posed for consideration: What factors impede the adoption of AIS within Indonesian SMEs?
- The present study seeks to investigate the impact of AIS adoption on the financial performance of SMEs

It is anticipated that the findings of this research will enable SMEs in Indonesia to access literature studies and adopt AIS with greater efficiency. This research is also expected to encourage the government and policymakers in Indonesia to further advance infrastructure and subsidies in order to facilitate the adoption of AIS. For the purpose of academic inquiry, it is anticipated that this research will augment the extant literature by presenting data and empirical evidence pertaining to the discrepancy between the research conducted in developing countries and that conducted in developed countries. Additionally, it is foreseen that this research will give a comprehensive assessment of the impact of AIS adoption in Indonesia.

Literature Review

The method describes the stages of the research, including the research design, research procedures, and how to test and analyze the data. In describing the research method, it must be supported by references, so that the explanation can be accepted scientifically. Authors are required to present a literature review that is primary (references to journal articles and conference proceedings) and up to date (references published within the last 10 years).

A. Accounting Information Systems (AIS)

An AIS plays an notable role in transforming a company's business processes for the digital era. Adopting an AIS can help companies collect, analyse, and present strategic, targeted data. The adoption of AIS has been proven to improve performance efficiency and financial accuracy while reducing administrative burdens for companies [10];[11]. AIS technology can provide real-time financial information and improve decision-making efficiency [12]. Additionally, some AIS support AI-based technology to reduce repetitive work and enable automation. However, AIS adoption is not widespread among SMEs in developing countries, especially Indonesia, due to low literacy and financial constraints [9].

B. Digitalization in SMEs

Digital transformation across industries has underscored technology's important role in improving business efficiency, especially for SMEs. Digitalization improves operational efficiency and drives improved performance for SMEs [12]. The challenge of implementing digital transformation, especially for SMEs in Indonesia, is the limited number of skilled and qualified human resources available for implementation. Despite contributing more than 61% of Indonesia's GDP and employing 97% of the workforce, SMEs still face limited human resource [13];[14]. Integrating AIS is essential to bridge this gap so SMEs can optimize financial management and maintain competitiveness in a rapidly developing economic environment.

C. Financial Performance and AIS Adoption

Research conducted in industrialized nations has indicated a positive correlation between AIS and financial performance. The utilization of AIS drives has been demonstrated to enhance the accuracy of financial reporting, leading to an average 25% increase in return on investment (ROI) [15]. Additional benefits include improved tax compliance and efficient cash flow management, according to research [16]. However, there are other obstacles to AIS integration in underdeveloped countries, including enduring problems including a lack of money, a labor shortage, and resistance to change [17];[18]. Numerous studies have shown that small and medium-sized enterprises (SMEs) who have implemented Accounting Information Systems (AIS) have performed better than those that still use manual systems. Southeast Asia is where this tendency is most noticeable [18].

D. Challenges in AIS Adoption

The following section will address the challenges associated with AIS implementation. The following categories have been found to be applicable to the difficulties in adopting AIS or implementing a digitalized system:

The first thing to consider is the financial constraints among SMEs. This limitation greatly affects the adoption of AIS by SMEs, because implementing and financing AIS requires financial readiness. According to research, around 40% of SMEs believe that they are not financially ready to implement AIS, highlighting the critical role played by financial capacity in the adoption or non-adoption of AIS by SMEs [19].

Second, having technological know-how is essential. Human resources capable of managing and running the system must be allocated in order to implement AIS. To properly administer and manage Accounting Information System (AIS) systems, small and medium-sized enterprises (SMEs) in developing countries sometimes struggle to find the qualified staff they need. According to research, SMEs in developing countries believe that their workers do not have enough opportunity for proper training.

Thirdly, consider the concept of resistance to change. In developing countries, there is often a sense of aversion or even trepidation towards changes in the times, particularly those related to technological advancements. This phenomenon, occurring on an unconscious level, has the potential to impede the adoption of new ideas and innovations, thereby hindering progress and growth. While these changes will undoubtedly be advantageous for societal development, there is a lack awareness regarding the potential benefits of this technological advancement [21];[22].

E. The UTAUT2 Framework and Its Relevance

The Unified Theory of Acceptance and Use of Technology 2 (UTAUT2) provides a robust theoretical foundation for understanding technology adoption. The constructs that comprise the theoretical framework, namely Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Hedonic Motivation, Price Value, and Habit, offer a comprehensive perspective for studying AIS adoption [23]. However, in the context of SMEs, these constructs become less pertinent. It is imperative to make an adjustment by replacing “Social Influence” with “Business Network Influence”, “Hedonic Motivation” with “Technology Readiness”, and “Habit” with “Financial Resources Availability”. This adjustment is made to enhance the applicability of UTAUT2 within this context. In order to ensure an understanding of AIS adoption in SMEs, the approach will be adjusted by including mediators such as business size, industry type, and technology experience. This modification is made to align the framework with the reality of SMEs in Indonesia, as well as provide insights that can then be followed up, both for academics and practitioners.

F. Emerging Themes in AIS Research

A multitude of studies have demonstrated that contemporary technological advancement, including artificial intelligence (AI) and blockchain, will enhance data accuracy, data security, and predictive analysis when integrated with AIS adoption [24];[25];[26]. Governments and policymakers have been shown to play a part in accelerating the adoption of AIS, particularly in developing countries such as Indonesia [27];[28]. This phenomenon is associated with the government's role in providing subsidies and training programs for SMEs.

G. Research Gaps

In the context of SMEs in Indonesia, extant literature emphasizes that AIS adoption will provide positive benefits; however, there are still gaps when implemented in developing countries. Investigating other elements that have a major impact on this phenomenon is essential.

- The current study will look at how government incentives and policies affect AIS uptake.
- It is necessary to compare how AIS is implemented in SMEs in urban and rural areas.
- A careful analysis of the long-term financial effects of AIS digitalization across different businesses is necessary.

To increase its usefulness and uptake, AIS must be integrated with AI and other cutting-edge technologies.

Theoretical Framework

The conceptual model can be represented in the picture below.

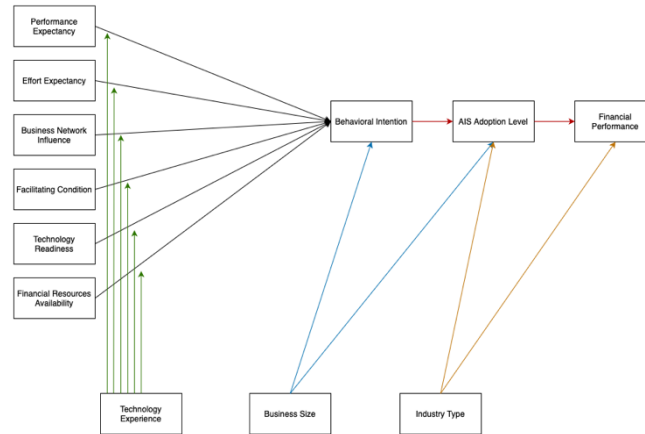


Figure 1. Modified UTAUT2

The conceptual paradigm for this study is depicted in the image above. This paradigm alters the Unified Theory of Acceptance and Use of Technology 2 (UTAUT2) to examine AIS adoption in SMEs. The model incorporates key ideas such as performance expectancy, effort expectancy, business network influence, facilitating conditions, technology readiness, and financial resources availability [29]. These traits determine behavioral intention, which in turn influences the adoption of AIS and, thus, financial performance. Industry type, business size, and technological experience have been identified as moderating factors in the demographic data [30];[31].

This framework is especially pertinent to SMEs in Indonesia in order to comprehend the potential and obstacles associated with the adoption of AIS. It addresses issues like budgetary limitations, a lack of technical know-how, and change aversion while highlighting the ways that technology adoption can enhance SMEs' financial performance.

It is hypothesized that, in accordance with the conceptual model and extant literature, the following hypotheses are to be formulated.

- H1.* Performance Expectancy has a positive and significant effect on Behavioral Intention.
- H2.* Effort Expectancy has a positive and significant effect on Behavioral Intention.
- H3.* Business Network Influence has a positive and significant effect on Behavioral Intention.
- H4.* Facilitating Conditions have a positive and significant effect on Behavioral Intention.
- H5.* Technology Readiness has a positive and significant effect on Behavioral Intention.
- H6.* Financial Resources Availability has a positive and significant effect on Behavioral Intention.
- H7.* Behavioral Intention have a positive and significant effect on AIS Adoption Level.
- H8.* AIS Adoption Level have a positive and significant effect on Financial Performance.

2. METHOD

The present study proposes a methodological approach to enhance financial performance through the adoption of AIS, especially in the circumstances of business-modified UTAUT2. The proposed methodology involves the implementation of a quantitative research method, encompassing the collection of data through structured questionnaires and the subsequent analysis utilizing SEM-PLS. The following components constitute the primary elements of this research method.

A. Sample Selection and Data Collection

The option of SMEs samples was determined using a purposive sampling approach, where the sampling is included in the non-probability sample type [32]. The objective of employing this approach is to ensure the alignment and relevance of the sample with the research objectives.

The questionnaire was meticulously designed and disseminated via an online platform, yielding a response rate of approximately 85%. The structure of the questionnaire will include the industry in which the SME is operating, the

adoption of SIA that they have carried out, and the criteria for determining whether the SMEs is micro, small, or medium. To ensure the statistical sufficiency of the data obtained is statistically sufficient, the questionnaire will be disseminated to 300 SMEs or more. In accordance with the established guidelines for power analysis, it is recommended that the sample measurement is a minimum of 10 observations per path in the structural model [33];[34].

According to Anggraeni et al., [39], Article 1 of the Republic of Indonesia's Law Number 20 of 2008 on Micro, Small, and Medium Enterprises (MSMEs) defines a small business as an independent, profitable enterprise owned by an individual or organization that is neither part of nor a branch of a medium or large company. Small businesses are required to comply with applicable laws and regulations. A profitable company that meets the requirements for a micro business set forth in applicable laws and regulations is referred to as a "micro business" and is owned by an individual or business organization. Companies that are independently owned and operated by individuals or organizations and are not divisions or subsidiaries of companies owned, controlled, or affiliated with small or large companies are referred to as medium-sized businesses. The annual income or total net assets of these companies must comply with the guidelines set forth in Law No. 20 of 2008. Article 6 of Law No. 20 of 2008 of the Republic of Indonesia defines the characteristics of micro, small, and medium enterprises based on capital and sales revenue. The following table is presented for reference:

Table 1. Criteria for Micro, Small, and Medium Enterprises

<i>Category</i>	<i>Assets (Excluding Land and Building)</i>	<i>Annual Sales Turnover</i>
Micro Enterprise	≤ Rp50.000.000,00	≤ Rp300.000.000,00
Small Enterprise	Rp50.000.000,00 – Rp500.000.000,00	Rp300.000.000,00 – Rp2.500.000.000,00
Medium Enterprise	> Rp500.000.000,00	Rp2.500.000.000,00 – Rp50.000.000.000,00

A total of 300 small-to-medium-sized enterprises (SMEs) participated in this study. The survey comprised 43 closed questions, which were divided into five sections: demographic information, independent variables, mediating variables, moderating variables, and dependent variables.

B. UTAUT2 Variable Operationalization

To operationalize the UTAUT2 constructs, this study adapted measurement items from prior validated studies and modified them to align with the SME context and AIS adoption. The following table presents the operationalization of variables, including constructs, their definitions, indicators, and sources.

Table 2. UTAUT2 Variable Operationalization

<i>Construct</i>	<i>Definition</i>	<i>Indicators</i>	<i>Source</i>
Performance Expectancy	The degree to which AIS adoption enhances SME financial performance	Improved decision-making, increased profitability, revenue growth	[38],[39]
Effort Expectancy	The ease of learning and using AIS technology	User-friendliness, perceived ease of operation	[38],[39]
Business Network Influence	The influence of peers, competitors, or networks on AIS adoption	Recommendations from networks, perceived competitive pressure	[38],[39]
Facilitating Conditions	The availability of technical and organizational support for AIS adoption	IT infrastructure, training availability	[38],[39]
Technology Readiness	The preparedness of the SME to adopt AIS in terms of skills and resources	Staff expertise, familiarity with digital tools	[38]
Financial Resources Availability	The availability of financial capacity to adopt and maintain AIS	Budget for AIS, perceived cost-effectiveness	[40]
Behavioural Intention	The intention of SMEs to adopt AIS	Willingness to adopt, plans for implementation	[38]
AIS Adoption Level	The degree of AIS usage by SMEs	Frequency of AIS use, scope of AIS functions	[40]
Financial Performance	The impact of AIS on SME financial outcomes	Revenue growth, cost efficiency, profitability	[41]

C. Measurement of Variable

Variable measurement is achieved through the implementation of a structured questionnaire, with its subsequent validation being delivered from the adaptation of preceding studies. The measurement of demographic information is achieved through the implementation of screening questions, while the assessment of independent variables, mediating variables, moderating variables, and dependent variables is facilitated by a 5-point Likert scale. The reliability and validity of the questionnaire are determined through the utilization of the Cronbach's Alpha and Composite Reliability methods. To ensure the reliability and validity of the questionnaire, the obtained value of the reliability test must exceed 0.70, and the value of the validity test, known as the Average Variance Extracted (AVE), must surpass 0.50.

The variables adapted from the scales that have been validated in previous studies include:

1. *Business Network Influence*: measured by the extent of influence exerted by colleagues, competitors, or networks on the adoption of AIS. It also encompasses the degree of competitive pressure perceived and the networks utilized [35].
2. *Technology Readiness*: to adopt AIS, they need to have the necessary skills and resources. The experience of employees, their degree of digital device competency, and the accessibility of these resources are all taken into consideration when evaluating the preparedness [36].
3. *Financial Resources Availability*: determined by calculating a small to medium-sized enterprises (SMEs) financial ability to implement and sustain an Accounting Information System (AIS) [37].

D. Statistical Analysis Techniques, Evaluation Results, and SEM-PLS

In order to assess the model's validity and reliability, the current study used statistical analysis methods based on the Structural Equation Model (SEM) with a Partial Least Squares (PLS) approach. Because of its ability to handle complicated interactions in small sample sizes and its efficacy in predictive modeling, the PLS-SEM technique was chosen [42]. The measuring model, sometimes referred to as the outer model, is evaluated by determining its discriminant validity, convergent validity, and reliability. By using Cronbach's Alpha and Composite Reliability measures, the scale's reliability is assessed. Acceptable dependability is indicated by thresholds of ≥ 0.70 [45]. AVE values (≥ 0.50) and outside loadings (> 0.70) are examined in order to evaluate convergent validity [45]. The Fornell-Larcker criterion and cross-loadings are used to verify that constructs were experimentally distinct in order to ensure discriminant validity. The coefficient of determination (R^2), a statistical metric used to evaluate the explanatory power of independent variables in relation to dependent variables, is measured as part of the evaluation of inner models, also referred to as structural models [43]. Path coefficients are examined in order to assess the importance of proposed correlations. P-values (< 0.05) and t-statistics (> 1.96) were used for hypothesis testing. The direct and moderating effects of factors including performance expectancy, effort expectancy, and organizational resistance on AIS adoption and its effect on financial performance were investigated through the testing of hypotheses. Strong conclusions regarding the relationships between variables are guaranteed by this thorough analysis [44]. All analyses were conducted using SmartPLS 4.0, a specialized software for PLS-SEM, to ensure precise computation and visualization of results.

3. RESULTS AND DISCUSSION

This study's goal is to improve SMEs' financial performance through the use of AIS and the modified UTAUT2 strategy for Indonesian companies. In addition to validating the questionnaire's structural model, the analysis method involves measuring validity and reliability. The study's conclusions are crucial for assessing the impact of AIS adoption as predicted. It is anticipated that the findings of this study will contribute to the body of knowledge regarding the UTAUT2 method and the contribution of AIS adoption to the expansion, cost effectiveness, and financial performance of Indonesian SMEs.

Table 3. Respondent Characteristics

<i>Variable</i>	<i>Description</i>	<i>Frequency</i>	<i>(%)</i>
Business Size	Micro	93	30.1
	Small	181	58.6
	Medium	35	11.3
Industry Type	Manufacturing	66	21.4
	Trade	163	52.8
	Service	80	25.9

<i>Variable</i>	<i>Description</i>	<i>Frequency</i>	<i>(%)</i>
Business Size (by number of employees)	< 5 persons	102	33
	5-19 persons	142	46
	> 20 persons	65	21
AIS User	Digital System	165	53.4
	Manual System	144	46.6

Table 4. Outer Loadings, Cross-Loadings, CA, CR, AVE

<i>Construct Item</i>	<i>Outer Loadings</i>	<i>Cross Loadings</i>	<i>Cronbach's Alpha</i>	<i>CR</i>	<i>AVE</i>
AIS Adoption Level					
AL 1	0.899	0.899	0.875	0.923	0.801
AL 2	0.907	0.907			
AL 3	0.878	0.878			
Behavioral Intention					
BI 1	0.829	0.829	0.908	0.932	0.731
BI 2	0.856	0.856			
BI 3	0.862	0.862			
BI 4	0.867	0.867			
BI 5	0.861	0.861			
Business Network Influence					
BN 1	0.902	0.902	0.930	0.950	0.827
BN 2	0.916	0.916			
BN 3	0.900	0.900			
BN 4	0.919	0.919			
Effort Expectancy					
EE 1	0.916	0.916	0.893	0.933	0.823
EE 2	0.898	0.898			
EE 3	0.908	0.908			
Facilitating Condition					
FC 1	0.932	0.932	0.917	0.948	0.858
FC 2	0.910	0.910			
FC 3	0.936	0.936			
Financial Performance					
FP 1	0.940	0.940	0.942	0.957	0.848
FP 2	0.905	0.905			
FP 3	0.940	0.940			
FP 4	0.898	0.898			
Financial Resources Availability					
FR 1	0.848	0.848	0.866	0.908	0.713
FR 2	0.865	0.864			
FR 3	0.860	0.860			
FR 4	0.804	0.804			
Performance Expectancy					
PE 1	0.852	0.852	0.908	0.935	0.784
PE 2	0.912	0.912			
PE 3	0.887	0.887			
PE 4	0.889	0.889			
Technology Readiness					
TR 1	0.870	0.870	0.844	0.899	0.748
TR 2	0.831	0.831			
TR 3	0.892	0.892			

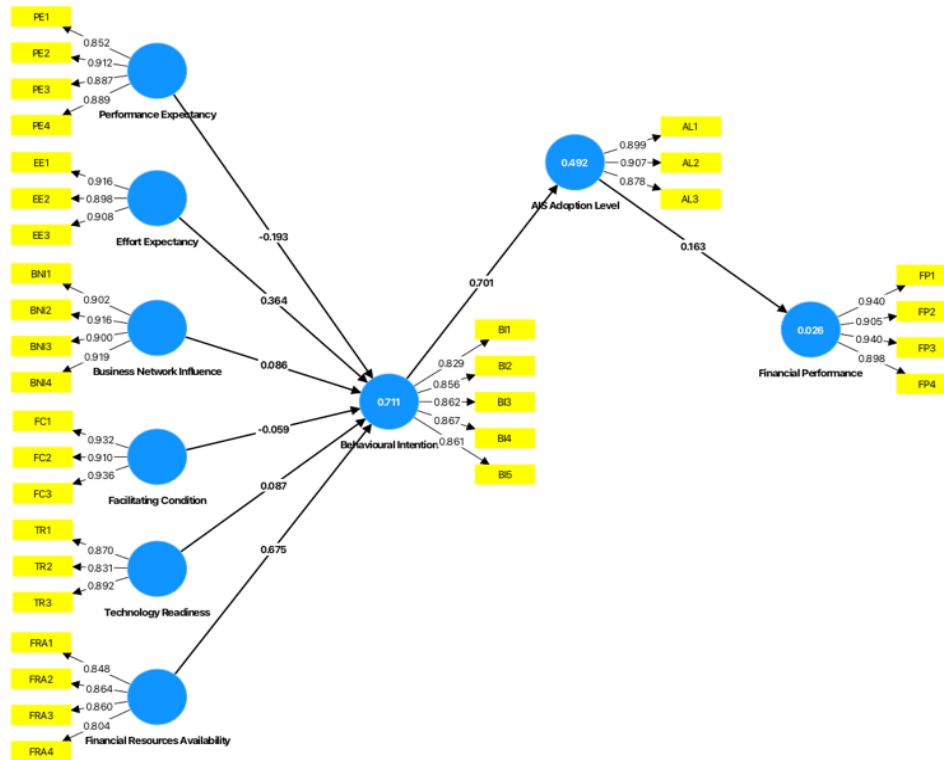


Figure 2. Inner Model Evaluation

The links between the structural equation model along with Performance Expectancy (PE), Effort Expectancy (EE), Business Network Influence (BN), Facilitating Conditions (FC), Technology Readiness (TR), and Financial Resources Availability (FRA) on Behavioral Intention (BI), and how BI influences AIS Adoption Level (AL) and Financial Performance (FP) in SMEs. The outer loadings for all indicators surpass 0.7, confirming strong indicator reliability. All constructs have AVE values above 0.50, indicating strong convergent validity. Additionally, strong reliability and internal consistency are ensured by Composite Reliability (CR) values above 0.7 and Cronbach's Alpha values above 0.6.

Table 5. Hypothesis Test

<i>Hypothesis Testing Result</i>	<i>Direct Effect</i>	
	<i>T Statistics</i>	<i>P Values</i>
<i>AIS Adoption Level -> Financial Performance</i>	2.829	0.005
<i>Behavioral Intention -> AIS Adoption Level</i>	15.411	0.000
<i>Business Network Influence -> Behavioral Intention</i>	1.349	0.177
<i>Effort Expectancy -> Behavioral Intention</i>	4.506	0.000
<i>Facilitating Condition -> Behavioral Intention</i>	1.466	0.143
<i>Financial Resources Availability -> Behavioral Intention</i>	14.051	0.000
<i>Performance Expectancy -> Behavioral Intention</i>	2.595	0.009
<i>Technology Readiness -> Behavioral Intention</i>	2.036	0.042

Table 5. explains that the results of the Hypothesis test are:

1. PE → BI: The hypothesis that performance expectations have a positive and significant impact on behavioral intentions is accepted ($p = 0.009$). The results of the study show that the tendency of small and medium enterprises (SMEs) to adopt AIS is significantly influenced by their expectations of improved performance after AIS implementation. SMEs' assessment of AIS as a catalyst for improving business operational effectiveness and efficiency is positively related to their tendency to adopt AIS. As a result, performance expectations are a crucial factor in AIS adoption.
2. EE → BI: Effort anticipation had a large and positive impact on behavioral intention ($p = 0.000$). This finding highlights how important perceptions of how easy AIS is to use are in determining how widely technology is adopted. According to the hypothesis, SMEs are more likely to embrace AIS if it is simple to use and is thought to have few implementation and learning obstacles. These results are consistent with the UTAUT hypothesis, which emphasizes the importance of effort expectancy in technology adoption.

3. BN → BI: The influence of business networks on behavioral intentions proved to be insignificant ($p = 0.177$). The results of this study show that companies prioritize internal needs over external variables. SMEs' decisions about the deployment of AIS are not substantially influenced by recommendations from external business networks. As a result, outside factors have less of an effect on how the business makes decisions.
4. FC → BI: The positive and considerable influence of enabling conditions on behavioral intention is marginally significant ($p = 0.143$). Although it has been shown that adoption intentions are influenced by access to resources, infrastructure, and technical support, the effect is not large enough to be deemed important. The results show that when making adoption decisions, small and medium-sized enterprises (SMEs) with existing digital infrastructure might not give conducive conditions top priority.
5. FR → BI: According to the study's findings, behavioral intention is significantly and favorably influenced by the availability of financial resources ($p = 0.000$). Considering the relationship between adequate budgets and AIS deployment, financial resources become a crucial component. The main factor influencing the choice to use the technology was the conviction that the financial advantages would exceed the expenses of deployment.
6. TR → BI: Technology readiness was found to have a favorable and substantial impact on behavioral intention ($p = 0.042$). High levels of technological competency have been shown to increase the likelihood that small and medium-sized enterprises (SMEs) will feel more at ease while integrating accounting information systems (AIS). This increased level of familiarity then encourages a stronger desire to utilize AIS. These results provide credence to the notion that adoption behavior is highly predicted by favorable attitudes and preparedness for new technologies.
7. BI → AL: The results showed that behavioral intention significantly and significantly affects the degree of AIS adoption ($p = 0.000$). Strong adoption intentions are directly associated with higher adoption levels, which is consistent with the idea that personal intentions are the main predictors of behavior. It is clear that SMEs with good intentions usually go to the AIS implementation stage.
8. AL → FP: The study's conclusions showed a strong and positive relationship ($p = 0.005$) between financial performance and the degree of AIS implementation. It has been shown that AIS installation improves the effectiveness of financial reporting, maximizes resource use, and simplifies operations. It has been demonstrated that these developments significantly improve SMEs' financial performance.

4. CONCLUSION

With an emphasis on behavioral intention and financial performance outcomes, this study investigated the determinants influencing AIS adoption among Indonesian SMEs. Critical insights were obtained from the hypothesis testing procedure, laying the groundwork for additional research.

1. The results of this study show that Behavioral Intention (BI) is significantly influenced by Performance Expectancy (PE) and Effort Expectancy (EE) ($p < 0.05$), highlighting the fact that SMEs give priority to AIS systems that are thought to improve operational efficiency and usability. The Unified Theory of Acceptance and Use of Technology (UTAUT) model, which holds that practicality and user-friendliness are crucial elements in technology adoption, is consistent with these findings..
2. Technology Readiness (TR) and Financial Resources Availability (FR) had substantial positive effects on BI ($p < 0.05$), highlighting the critical roles that technology readiness and economic capacity play in promoting adoption.
3. AIS Adoption Level (AL) and Behavioral Intention (BI) showed a substantial association in this investigation, with a p-value of less than 0.001. The idea that intention and action are directly related is supported by this study. Notably, the Financial Performance (FP) of the businesses was significantly impacted by the Adoption Level of AIS (AL) ($p < 0.05$), supporting the effectiveness of AIS as a strategic tool for improving financial results in SMEs.

However, Business Network Influence (BN) did not have a significant effect on BI ($p = 0.177$), suggesting that SMEs place a higher value on internal assessments compared to external recommendations. The analysis to external recommendations. The analysis of the data yielded marginal significance for the Facilitating Conditions (FC) variable ($p = 0.143$). This finding suggests that infrastructure support may play a secondary role in comparison to intrinsic motivators such as performance and usability.

These findings underscore the notion that the adoption of AIS among SMEs is predominantly driven by perceived utility, user-centric design, and financial readiness. External pressures or network influences, in contrast, play a less

substantial role in this process. In practice, policymakers and providers should prioritize cost-effective solutions, user training, and system design to align with SMEs' resource constraints and operational needs. Theoretically, the present study extends the Unified Theory of Acceptance and Use of Technology (UTAUT) by underscoring the significance of financial and technological readiness as pivotal contextual factors in the acceptance of technology.

ACKNOWLEDGMENT

We would like to extend our gratitude to everyone who helped us complete this research report. We would like to acknowledge Ardiya Ekaputra Hargiyanto's significant contributions in the following areas: data curation, investigation, visualization, validation, formal analysis, conceptualization, methodology, and writing—original draft. Our thesis advisors, Ikrar Adinata Arin, are experts in project administration, methodology, writing—including review and editing—resources, supervision, visualization, and validation. Resources; Formal Analysis; Writing—Review and Editing; Validation and Supervision; Mohamad Heykal. The published version of the manuscript has been read and approved by all authors. This study was made possible by the funding that Bina Nusantara University supplied. The following URL is where the dataset used in this study has been uploaded: <https://zenodo.org/records/15675923>.

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