

Management Accounting Systems and Cost Efficiency In Small Retail Businesses

Sariani Maya Rupang^{1*}, Surya Anggraeni Sayitno²

^{1,2} Universitas Kristen Indonesia Paulus Makassar, Indonesia

ABSTRACT

Daily needs micro and small retail enterprises (MSEs) in Makassar City face significant challenges in managing operational costs amid the rapid expansion of modern retail outlets and continuous price fluctuations. This study analyzes the role and effectiveness of Management Accounting Systems (MAS) in improving cost management efficiency among small daily needs retail businesses in Makassar City. Using a qualitative case study approach, data were collected through in-depth interviews with four retail managers (Kios J-Tris, Toko Dilah, Kios Ros, and Kios BTP) selected through purposive sampling. The results show that MAS implementation—whether through manual record-keeping or digital applications such as Kasir Pintar—substantially improves operational cost control, inventory capital efficiency, and waste prevention. Consistent financial recording reduced daily operational expenses by 37.5%–40% through the elimination of slow-moving inventory. The degree of MAS formalization is closely related to business age and the owner's digital literacy, while local socio-cultural obligations and household leakage also affect cash flow. These findings underscore the importance of financial literacy education and digital adoption in strengthening the competitiveness and sustainability of traditional retail enterprises in dense urban environments.

Keywords: Management Accounting Systems; Cost Efficiency; Small Retail Business; MSMEs; Makassar City

Corresponding author: rupangmaya9@gmail.com; suryaanggraeni19@gmail.com

How to cite this article: Rupang, S. M., & Sayitno, S. A. (2026). Management Accounting Systems and Cost Efficiency In Small Retail Businesses. *Neraca Keuangan: Jurnal Ilmiah Akuntansi Dan Keuangan*, 21(2). Retrieved from <https://ejournal.uika-bogor.ac.id/index.php/neraca/article/view/25079>

History of Article: Received: 6 September 2026. Revision: 16 September 2026. Published: 1 October 2026.

DOI: [/doi.org/10.32832/neraca.v21i2.25079](https://doi.org/10.32832/neraca.v21i2.25079)

INTRODUCTION

Micro and Small Enterprise (MSE) retail represents small-scale trade activities that sell goods or services directly to end consumers for personal consumption rather than resale. In Indonesia, these enterprises play a crucial role in the local economy by supplying daily necessities directly to community households. However, their growth and operational stability are frequently impeded by inefficient cost management practices. A significant number of small retail businesses encounter major hurdles in controlling operational expenses, including inventory purchasing, stock management, and labor costs, primarily due to the absence of a structured management accounting framework.

The rapid expansion of the modern retail industry in urban areas presents severe external threats to traditional vendors. Large retail chains, both domestic and foreign, continue to widen their operational reach across Indonesia, leading to competitive losses for traditional retailers (Utomo, 2010). According to official data from the Ministry of Cooperatives and SMEs, micro, small, and medium enterprises (MSMEs) in Indonesia total approximately 64.2 million units, contributing 61.07% to GDP and absorbing up to 97% of the national workforce (Directorate General of Treasury, Ministry of Finance RI). Nevertheless, roughly 25% of MSMEs fail within their first two years of operation because business owners lack managerial adaptiveness in dynamic market conditions. Qualitatively, small retailers in urban centers like Makassar tend to rely on unstructured manual financial records and frequently neglect formal budgeting (Sisilia Anyel Faridawati et al., 2024).

The primary obstacle facing daily needs micro-retailers in Makassar is low cost management efficiency resulting from the underutilization of management accounting systems. Consequently, tracking expenditure becomes difficult, preventing business owners from detecting structural waste such as expired inventory, excessive procurement costs, or redundant operational expenses. Furthermore,

global commodity price fluctuations and the aggressive expansion of modern minimarkets into densely populated residential areas compound these operational strains (Nurjannah, 2025).

The implementation of management accounting systems (MAS) provides relevant analytical information essential for supporting strategic planning, operational monitoring, and decision-making (Saraswati et al., 2021); (Nur Asmi Ainul Kamall, Mahfudnurnajamuddin 2, 2020). These functions encompass product pricing, budget allocation, and resource optimization (Hertati, 2020);(Ilyas, 2024). Despite these benefits, limited accounting knowledge and human resource constraints remain major barriers to MAS adoption among micro-enterprises (Iqbal Rusli & Isra Hayati, 2024). Previous literature demonstrates that management accounting practices hold significant potential to enhance business performance among MSMEs in Makassar City (Wahyuni, n.d.);(Nurhidayah, 2025).

However, a distinct research gap exists: while prior studies largely focus on the general impact of management accounting on overall business performance, few examine the precise underlying mechanisms through which MAS drives operational cost efficiency specifically within daily needs retail kiosks. The novelty of this study lies in its granular mapping of practical MAS adaptation tailored to the operational realities and daily cash flow dynamics of traditional urban retail kiosks operating under intense competition. The urgency of this research is acute: without cost efficiency established through structured recording and control mechanisms, small retailers face high risks of continuous revenue decline and eventual insolvency. Therefore, the purpose of this research is to analyze the role and effectiveness of management accounting system implementation in improving operational cost management efficiency among small daily needs retail businesses in Makassar City.

THEORETICAL FOUNDATION

Management Accounting Systems (MAS) refer to the formal and informal mechanisms an organization uses to generate financial and non-financial information that supports managerial planning, control, and decision-making (Hertati, 2020). Within small and micro enterprises, MAS commonly manifests as basic recording practices, cost tracking, and simple budgeting rather than the sophisticated costing techniques used in large firms (Ilyas, 2024). Even so, prior studies emphasize that MAS practices—however rudimentary—provide critical information for pricing, resource allocation, and monitoring of operational performance (Saraswati et al., 2021);(Nur Asmi Ainul Kamall, Mahfudnurnajamuddin 2, 2020).

Contingency theory offers a useful lens for understanding the variation in MAS formalization observed across small enterprises, positing that the design and sophistication of an accounting system depend on contextual factors such as organizational age, owner competence, and environmental uncertainty (Iqbal Rusli & Isra Hayati, 2024). Firms that are older or led by more digitally literate owners tend to adopt more structured recording systems, whereas newer or less digitally exposed enterprises rely on informal, ad hoc practices.

Cost efficiency, in the context of this study, denotes the capacity of a business to minimize operational expenditure—covering procurement, inventory holding, labor, and overhead—without compromising service delivery. Structured recording is theorized to enhance cost efficiency by making waste, such as slow-moving inventory, spoilage, and unrecorded consumption, visible to management, thereby enabling corrective action (Nurjannah, 2025). Studies on MSME performance further argue that management accounting practices, even in simplified forms, significantly influence business sustainability and growth (Wahyuni, n.d.);(Nurhidayah, 2025).

In the specific setting of Indonesian micro-retail, socio-economic and cultural factors add further complexity to cost management theory. Informal obligations, such as customary ceremonial contributions and porous boundaries between household and business finances, represent context-specific cost leakages that conventional MAS frameworks rarely address (Sisilia Anyel Faridawati et al., 2024). This study therefore situates MAS implementation within both classical management accounting theory and the socio-cultural realities of small urban retailers, providing the conceptual basis for examining how formalization levels relate to cost management outcomes in Makassar City's daily needs retail sector.

RESEARCH METHOD

This study adopted a qualitative approach utilizing a case study design to gain an in-depth understanding of Management Accounting System (MAS) implementation in enhancing cost management efficiency among small retail enterprises in Makassar City. The qualitative approach was selected because of its efficacy in exploring business owners' operational practices, context-specific experiences, and managerial perceptions directly in field settings. This method is highly aligned with the characteristics of Indonesian MSMEs, which exhibit diverse levels of accounting formalization and limited formal financial documentation, as noted by Creswell regarding qualitative research suitability for examining contextual managerial practices.

The study population comprised small retail enterprises operating across Makassar City. Informants were selected using a purposive sampling technique based on specific criteria: small-scale retail businesses selling daily necessities directly to end consumers, operating for a minimum of one year, and managed by owners actively involved in daily cost management. The sample size was determined by data saturation principles, concluding data collection when retrieved information became repetitive and provided comprehensive answers to the research questions.

This research was conducted in Makassar City, South Sulawesi, targeting four small daily-needs retail businesses (Kios J-Tris, Toko Dilah, Kios Ros, and Kios BTP) as informants, with fieldwork comprising informant interviews and field observation carried out over a period of February–April 2026. Primary data were collected through semi-structured, face-to-face in-depth interviews with the owner or manager of each informant business, guided by an interview protocol covering three main themes: business profile and history, the implementation of management accounting practices (recording, pricing, budgeting, and inventory control), and cost management outcomes; these interviews were supplemented with direct field observation of daily store operations and, where accessible, documentation review of existing financial records (manual ledgers, receipts, and POS application reports) to cross-check informants' statements, with all interviews recorded with the informants' consent and transcribed verbatim for analysis. Data analysis was then conducted qualitatively through data reduction, data display, and conclusion drawing/verification, in which interview transcripts were coded and categorized into themes corresponding to the dimensions of management accounting system implementation (recording media, budgeting, pricing, and cost control), before the categorized data for each informant were compared through a cross-case analysis technique to identify convergent and divergent patterns in MAS formalization, cost efficiency outcomes, and contextual constraints across the four cases, as summarized in the Comprehensive Cross-Case Comparison (Table 2). The trustworthiness of the data was established through source triangulation, comparing information obtained from the primary informant with statements from other family members involved in daily operations where available, as well as with available documentary records; member checking was performed by confirming interview summaries with informants to ensure the accuracy of interpretation; a detailed, thick description of each case's operational context was maintained to support the transferability of findings; and an audit trail of interview recordings, field notes, and transcripts was kept to support the dependability and confirmability of the analysis. Data collection employed a technique triangulation approach, combining three complementary methods: in-depth, semi-structured face-to-face interviews with the owner or manager of each of the four informant businesses; direct field observation of daily operational activities during site visits; and documentation review of available financial records, including manual cash ledgers, purchase receipts, and point-of-sale application reports, used to cross-check the accuracy and consistency of information obtained through the interviews. These three data collection techniques jointly underpinned the source triangulation applied in this study, thereby strengthening the credibility, dependability, and confirmability of the research findings.

RESULTS AND DISCUSSION

This section presents an in-depth empirical analysis of four research informants: Kios J-Tris (Informant 1), Toko Dilah (Informant 2), Kios Ros (Informant 3), and Kios BTP (Informant 4). Primary data were gathered via semi-structured, face-to-face interviews covering business profiles, MAS practices, and cost management outcomes.

Business Profile and Context

Kios J-Tris is a daily needs retail business situated on a main arterial road in Makassar City.

Established around 2011–2012 by converting part of a residential property, it initially operated as a small side venture selling basic items like LPG gas, bottled water, and cigarettes. Over time, it expanded significantly to occupy nearly an entire shopfront. Managed as a family-based business, the owner's mother serves as the primary capital holder handling procurement and financial control, while her children assist with cashier duties, inventory checks, and stock reordering.

Toko Dilah is a grocery store established in 2020 within a rented commercial shopfront. Founded by the owner's parents and managed collectively as a family enterprise, the business opened during the initial phase of the COVID-19 pandemic. Despite severe economic uncertainty, Toko Dilah stabilized its operations by supplying essential household goods. Operational management is shared between the owner and sibling, coordinating inventory procurement from major wholesale hubs like Indogrosir Maros and direct supplier distributors.

Kios Ros is a wholesale daily necessity (sembako) venture established in May 2013. The enterprise experienced steady growth from 2013 to 2019 but faced revenue contraction during pandemic-related mobility restrictions. To adapt, Kios Ros introduced digital non-cash payment options (QRIS) in 2025 and accepted digital customer orders. Operated entirely by a couple without external employees, Kios Ros operates on a high-volume, low-margin wholesale model supplied by major distribution companies and cooperative memberships.

Kios BTP represents the youngest enterprise among the informants, having operated for approximately one year. Founded out of economic necessity rather than market expansion goals, it operates as a necessity-driven enterprise. Managed exclusively by a husband-and-wife team, Kios BTP sells daily consumer items, with cigarettes and beverages accounting for the highest capital outlay but yielding slim profit margins.

Implementation of Management Accounting Systems

Significant structural variations exist across the four informants regarding financial record-keeping, pricing, inventory management, and budgeting. Kios J-Tris relies on manual ledger recording for incoming goods, outgoing stock, and upcoming bills, managing cash reconciliation per shift alongside QRIS digital transactions. Toko Dilah adopted a modern approach using the Android-based 'Kasir Pintar' POS application, enabling real-time transaction tracking, multi-user accessibility, automated reporting, budgeting, and tax calculations. Conversely, Kios Ros maintains minimal manual records restricted to fixed overheads due to limited technological literacy among its senior owners. Kios BTP utilizes basic manual notes tracking incoming purchase costs but estimates daily net income without structured expense categorization.

Table 1. Comparison of Financial Recording Systems

Aspect	Kios J-Tris	Toko Dilah	Kios Ros	Kios BTP
Recording Media	Manual (Ledger Book)	Digital App (Kasir Pintar)	Manual (Notes & Receipts)	Manual (Basic Cost Notes)
Payment Methods	Cash + QRIS	Cash	Cash	Cash
Financial Recap	Daily per shift / Monthly	Daily, Monthly, Annual (Auto)	Monthly (Post-receipt clearance)	Daily (Income minus expense)
Data Transparency	Restricted to owner	Shared access (5 accounts)	Restricted to core family	Restricted to husband/wife
Budgeting Feature	Informal	Available in Application	None	None
Tax Recording	None	Integrated in Application	Manual expense item	None

Digitization Level	Low (Manual)	High (Digital App)	Very Low (Minimal Tech)	Very Low (Basic Manual)
Enterprise Maturity	±13–14 Years	±6 Years	±13 Years	±1 Year

Source: Primary Field Data (2026)

The Digitization Level classification presented in Table 1 was determined qualitatively from each informant's reported recording media and technology use during the interviews. A “High (Digital App)” level was assigned where the informant relied on a dedicated point-of-sale/accounting application for real-time recording and automated reporting (Toko Dilah's use of Kasir Pintar). A “Low (Manual)” level reflects reliance on a structured handwritten ledger with consistent, periodic recapitulation (Kios J-Tris). A “Very Low (Minimal Tech)” level was applied where digital tools were used only for peripheral functions, such as accepting QRIS payments, without any structured digital bookkeeping (Kios Ros). Finally, a “Very Low (Basic Manual)” level denotes reliance on rudimentary handwritten cost notes without systematic categorization or periodic recapitulation (Kios BTP).

Cost Management Efficiency and Operational Waste

Identified operational costs across all informants include electricity fees (heavily driven by commercial refrigeration), labor wages, operational packaging supplies, wholesale purchasing capital, and product spoilage. Kios Ros incurs unique socio-cultural obligations, specifically mandatory funding for Torajan death ceremonies (Rambu Solo), which cannot be controlled via conventional business efficiency principles. Kios BTP encounters cost leaks from cigarette price hikes and beverage breakage, alongside internal household leakage where family members consume store inventory without payment recording.

Financial record-keeping directly yields cost efficiency. In Kios J-Tris, consistent manual tracking reduced daily operational disbursements from IDR 5–8 million to IDR 3–5 million (*a 37.5%–40% reduction*) by identifying and eliminating slow-moving inventory purchases. Toko Dilah leverages POS analytics to curb over-purchasing trending goods that experience rapid demand decay. These empirical findings confirm that MAS formalization enhances operational decision-making, inventory control, and capital preservation.

Table 2. Comprehensive Cross-Case Comparison

Dimension	Kios J-Tris	Toko Dilah	Kios Ros	Kios BTP
MAS Formalization	Low–Medium	Medium–High	Low	Very Low
Stock Control	Manual, Supplier-assisted	Daily POS Data Analytics	Credit System & Cooperative	Daily Reactive Restock
Budgeting Method	Informal / Organic	Integrated App Budgeting	Informal (KUR Credit access)	None
Profit/Loss Analysis	Non-systematic	Automated App Reports	Mental Accounting per Item	Rough Estimation
Major Cost Driver	Capital & Staff Wages	Electricity Overhead	Inventory Capital & Cultural	Tobacco & Beverage Capital
Price Adjustment	Proactive (Pre-hike)	Reactive (Stock Evaluation)	Reactive (Fixed 2% Margin)	Reactive (Flat Rp500 Margin)
Socio-Cultural Factor	Not Significant	Not Significant	Significant (Rambu Solo)	Internal Household Leakage
Operational Efficiency	37.5%–40% Cost Reduction	High Inventory Turnover	Conservative Cash Flow	Basic Cash Discipline

Primary Constraint	Capital Surplus Deficits	Overhead Cost Separation	Digital Literacy Barriers	Inexperience / Owner Misunderstanding
--------------------	-----------------------------	-----------------------------	------------------------------	---

Source: Primary Field Data (2026)

Discussion

The empirical evidence gathered across the four case studies demonstrates that Management Accounting System (MAS) contributes to operational cost management efficiency in small retail enterprises. The **37.5%–40%** cost reduction achieved by Kios J-Tris illustrates how systematic cash tracking exposes hidden capital lockup in slow-moving inventory, enabling managers to realign purchasing strategies with real consumer demand.

Moreover, the cross-case analysis underscores that MAS formalization is strongly moderated by business age, managerial digital literacy, and local socio-cultural realities. Modern digital POS tools (as seen in Toko Dilah) optimize stock turnover and multi-user accountability. Conversely, traditional operators (such as Kios Ros) face technological adoption barriers while navigating non-market financial demands like traditional funeral obligations (Rambu Solo). In newly established micro-kiosks like Kios BTP, initial financial recording often functions as an administrative routine rather than an analytical tool, highlighting internal household inventory leakage as a prominent vulnerability. Consequently, cost efficiency in traditional micro-retail is shaped not only by economic rationality but also by contextual socio-cultural factors and financial literacy levels.

CONCLUSION, IMPLICATION AND LIMITATION

The findings of this study indicate that management accounting practices support operational cost management efficiency within small retail businesses in Makassar City. Consistent financial recording serves as the essential foundation for controlling operational expenses, preventing inventory capital lockup, and eliminating store waste, as illustrated by Kios J-Tris's reduction of daily operational disbursements by 37.5%–40% through the identification and elimination of slow-moving inventory. While digital applications such as Kasir Pintar provide superior multi-user transparency, automated reporting, and real-time analytics as demonstrated by Toko Dilah, basic manual accounting remains highly effective in curbing unnecessary expenditure when practiced consistently and with discipline, as shown by Kios J-Tris's manual ledger system. Furthermore, the degree of MAS formalization correlates closely with enterprise maturity, the owner's digital literacy, and the owner's capacity to separate household consumption from store inventory, with more established and digitally literate operators—such as Toko Dilah—exhibiting higher levels of structured recording, budgeting, and reporting, whereas younger or less digitally exposed enterprises, such as Kios BTP, tend to rely on informal, ad hoc estimation methods that leave cost leakages largely undetected. Beyond economic rationality, local socio-cultural obligations, such as the customary Rambu Solo funeral contributions faced by Kios Ros, and internal household leakage experienced by Kios BTP, further shape cash flow dynamics in ways that conventional cost management frameworks do not fully capture, underscoring the contextual and culturally embedded nature of cost efficiency in traditional micro-retail settings.

These findings carry several practical implications. Local governments, MSME associations, and financial institutions should prioritize targeted digital literacy and basic accounting training programs tailored specifically to the operational realities of micro-retailers, with an emphasis on separating household and business finances, managing fast-moving stock categories, and adopting simple, low-cost mobile point-of-sale tools suited to small-scale operations. Retail owners themselves are advised to establish strict daily recording routines, even in the absence of digital infrastructure, to safeguard operational margins amid intensifying competition from modern retail chains. Regulatory bodies and community support structures could also help mitigate the financial strain of unavoidable socio-cultural obligations by encouraging structured savings mechanisms among traditional retailers.

This study is nonetheless subject to certain limitations. Its qualitative case design, focused on only four retail enterprises within Makassar City, constrains the statistical generalizability of its findings to broader regions or retail sub-sectors. Future research is encouraged to employ quantitative survey methodologies across a wider geographical scope to validate these findings at scale, or to explore the specific impact of fintech and digital accounting tool adoption on micro-enterprise survival rates and long-term financial resilience in similarly dense urban retail environments.

REFERENCES

- Hertati, L. (2020). *Bagaimana Pengaruh Strategi Bisnis , Kekuatan Produk Terhadap Kualitas Sistem Informasi Akuntansi Manajemen : Studi Kasus Pada Usaha Kecil Dan Menengah Di Indonesia Rini Lestari Universitas Islam Bandung*. 21(1), 1–16.
- Ilyas, H. T. (2024). Optimalisasi Efisien Manajemen Dan Metode Activity-Based Costing (Abc Method) : Analisis Bibliometrik. *Jurnal Ilmiah Manajemen, Ekonomi, & Akuntansi (MEA)*, 8(2), 809–833. <https://doi.org/10.31955/mea.v8i2.4080>
- Iqbal Rusli, & Isra Hayati. (2024). Implementasi Pencatatan Laporan Keuangan UMKM Berdasarkan Standar Akuntansi Keuangan-EMKM pada Kecamatan Medan Barat. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, 5(10), 4231–4239. <https://doi.org/10.47467/elmal.v5i10.3445>
- Nur Asmi Ainul Kamall, Mahfudnurnajamuddin 2, A. J. 3. (2020). *Journal of Accounting Finance (JAF)*. 1.
- Nurhidayah. (2025). *Penerapan Sistem Akuntansi Manajemen Dalam Meningkatkan Kinerja Bisnis Usaha*. 3(2), 180–198.
- Nurjannah, I. W. (2025). *Jurnal pendidikan ekonomi*. 158–167.
- Saraswati, E., Rizqiyah, R., & Randikaparsa, I. (2021). *PERANAN SISTEM INFORMASI AKUNTANSI TERHADAP PERKEMBANGAN USAHA MIKRO , KECIL , DAN MENENGAH*. 04.
- Sisilia Anyel Faridawati, Henrikus Herdi, & Paulus Libu Lamawitak. (2024). Analisis Penerapan Sistem Informasi Akuntansi untuk Meningkatkan Efisiensi dan Keamanan Keuangan UMKM (Cafe Rindu Lokaria). *Jurnal Ekonomi, Akuntansi, Dan Perpajakan*, 1(4), 189–215. <https://doi.org/10.61132/jeap.v1i4.443>
- Utomo, T. J. (2010). *DAN PERSAINGAN BISNIS RITEL (The Business Environment and the Competition of Retail Business)*. 5(1), 70–80.
- Wahyuni, N. (n.d.). *Management Accounting Practices and Performance of Micro , Small and Medium Enterprises in Makassar City*. (1), 142–148.