International Journal of Contemporary Accounting Vol. 3 No. 1 July 2021: 45-60 Doi: http://dx.doi.org/10.25105/ijca.v3i1.9218

THE EFFECT OF MANAGEMENT ACCOUNTING SYSTEM, SUSTAINABLE LEADERSHIP AND ENVIRONMENTAL STRATEGY ON BUSINESS PERFORMANCE WITH ORGANIZATIONAL CULTURE AS MODERATOR

Giawan Nur Fitria

Universitas Mercu Buana email: giawan.nur@mercubuana.ac.id

The purpose of this study was to determine whether there is an influence of management accounting system, sustainable leadership and environmental strategy on business performance with organizational culture as a moderating factor. The sample in this study is 70 managers of manufacturing companies in DKI Jakarta. Sampling technique using a convenience sampling method. We have tested validity and reliability test, assumption classic test and regression analysis test. The research result shows that the management accounting system does not affect business performance; sustainable leadership positively impacts business performance; the environmental strategy positively affects business performance. Organizational culture does not moderate management accounting system, sustainable leadership and environmental strategy with business performance. We suggest that developing a management accounting information system is one of particular concern. The availability of a management accounting information system that can maximally assist company management in planning, monitoring and making decisions for business performance is better.

Keywords: Management Accounting System, Sustainable Leadership, Environmental Strategy, Business Performance, Organizational Culture

JEL Classification: M41, L23, K32

Submission date : 2021-04-09 Revised date : 2021-06-07 Accepted date : 2021-07-12

INTRODUCTION

Globalization leads to accessible communication without borders; this results in high competition in national and global markets. Besides, due to low productivity and increased inventory, firms operating in the manufacturing industry must explore strategies to raise

Giawan Nur Fitria

profit, productivity and quality (Burawat, 2019). Business competition in Indonesia is currently getting tighter; this condition requires companies to improve their performance in planning, coordinating and controlling various activities and resources. For success, the company should carry out its duties to create value for customers and increase stakeholder value. Research Director of the Indonesian Center of Reform on Economics (Core) Mohammad Faisal said that the manufacturing sector's average performance in the 2019 period only reached 4% and tended to stagnate (https://ekonomi.bisnis.com). The number and condition of manufacturing industrial companies in DKI Jakarta show a change; namely, companies that no longer operate as significant, medium manufacturing industries due to changes in the scale of the workforce to become small industries (www.bps.go.id).

Good business performance is essential for the survival of a company. Management will encounter various obstacles to achieve good business performance. Several companies are threatened with bankruptcy due to weak corporate management and are in debt until they are declared bankrupt, such as in PT. Njonja Meneer was declared bankrupt by the Semarang Commercial Court in August 2017 (http:// national.kontan.co.id).

Because several companies threatened with bankruptcy due to weak corporate management, they have to pay attention to improve their business performance; Poor business performance can result in the company's business continuity. If this happens, it will have an impact on all company stakeholders. Poor business performance is what causes the factors that affect business performance are crucial things to study. Business performance is one of the topics that still need further investigation.

Business performance is a widely debated topic in the literature, and various definitions proposed (Laukkanen et al., 2013). Laukkanen et al. (2013) measured business performance in Hungary and Finland small-medium enterprises by brand performance, market performance and business growth. Hove & Banjo (2015) used sales and sales turnover as measurements for business performance firms in South Africa. Prakash et al. (2017) defined business performance to consider various financial and non-financial objectives under the fuzzy influence and uncertain external environment that involves an outside-inside perspective to mobilize multiple resources by opening up information flows. In Nigeria, Akintimehin et al. (2019) measured performance in two ways: financial and nonfinancial performance of the informal business sector. Alazzani et al. (2017) using an environmental and social indicator to measure firm performance in Malaysia. Jogaratnam (2017) used the financial needle to measure restaurant industry business performance in United Stated. This study differs from previous research in that we use the economic, social and environmental indicators to measure business performance. We argued that the company can maintain its business by paying attention to financial, social and ecological aspects to have good business performance.

Several factors influence business performance. This study uses the management accounting system, sustainable leadership, and environmental strategy as independent variables. MAS plays a role in most organizations' primary services by providing helpful information (Gurendrawati & Murdayanti, 2015). Burawat (2019) stated that the topic of

Sustainable Leadership is found in the definition of business sustainability and is becoming more influential in today's business. Business strategies are needed to achieve the company's goal, like environmental strategy.

MAS has an essential role in supporting business people in decision making, planning, and control (Gurendrawati & Murdayanti, 2015). Several functions and applications of management accounting systems within the company produce financial information to benefit management or the company's internal parties to achieve company goals. Other tasks like Identify, measure and report financial information in the form of a systematic, transparent and detailed financial report for the benefit of internal parties to carry out the management process, including planning, organizing, directing and controlling. Based on the benefits above, Management Accounting System is essential for an organization or company to make it easier for a company to make the right and accurate decisions, reducing the risks that the company might get. The management accounting system can increase a company's productivity and continue to grow without missing information to provide the best service to its consumers.

Many studies have used the characteristic theory and instruments of management accounting systems developed by several authors (Ghasemi et al., 2016). Al-Mawali (2013) found that management accounting system information, including financial and non-financial, internal and external information permitted top management to consider alternative strategies to achieve the optimum results for companies in Jordan. Gnawali (2018) findings in this study show that an alignment among changes in management accounting system significantly improves organizational performance in Nepal. Ghasemi et al. (2019) examined financial managers and chief accountants, and financial controllers in 185 financial organizations in Iran. The result that the MAS can improve performance in financial service companies in Iran. In contrast, in Indonesia, Kurniawati et al. (2018) observed that management accounting system does not significantly affect company performance.

Avery & Bergsteiner (2011) proposed sustainable leadership, balancing people, profits, and the planet to encourage the continuance of an organization through practices based on evidence management in the process, embracing a holistic approach toward organizational sustainability. Šimanskienė & Župerkienė (2014) based on sustainability principles, managers can perform much more effectively, get involved in the activity. By conscious communication and collaboration and complete exploiting their skills and shared decision-making, they can complete the same action with a new kind of quality and get the best result to satisfy both the managers and the employees. (Burawat, 2019) found that sustainable leadership has effects on firm performance. The results reflected that there is a relationship between leadership and firm performance through lean manufacturing practices. Since sustainable leadership lacks a scholarly field, the theoretical foundation has not been fully developed (Burawat, 2019). In addition, the finding of this research about SL hope can contribute to research in an academic field.

Giawan Nur Fitria

Competition is very tight in the manufacturing industry today, which causes many companies to maintain their business continuity. The company has several strategies to survive, such as an environmental strategy. Corporate strategy is a unified, comprehensive and integrated corporate plan needed to achieve company goals. In formulating a strategy, it is necessary to relate it to its environment because it determines its strengths and weaknesses to draw up its strategic forces. Environmental strategy is a company strategy in achieving company goals by considering environmental factors. Manufacturing companies must pay attention to environmental conditions to achieve company goals. An Environmental strategy affects business performance (Rötzel et al., 2019). In contrast, Saputra (2020) examined the effect of environmental strategy on business performance in 22 manufacturing companies in Indonesia. The result is an ecological strategy had no significant influence on business performance.

The purpose of this study was to determine whether there is an influence of management accounting system, sustainable leadership and environmental strategy on business performance with organizational culture as a moderating factor. Several researchers have researched business performance. The difference between this study and previous research is that we use organizational culture as a moderating variable. This study is interesting to do because we use organizational culture as moderating variable. This study's results provide several good contributions for the company related to what factors can improve its business performance in terms of its accounting system, sustainable leadership, environmental strategy, and organizational culture. A management accounting system that helps company management make decisions, sustainable leadership related to leadership so that employees are loyal can help the company achieve its goals. Environmental strategy is related to the company's strategy through the company's ecological approach.

Another important of this study that we analyze Organizational culture as moderating variable if it is a factor that can influence the implementation of management accounting systems, sustainable leadership and environmental strategy in improving business performance. Organizational culture is essential for the continuity of a company's business. The culture adopted by an organization can directly or indirectly influence the company's business performance through various uses of the management accounting system used by business actors to make decisions. Besides, organizational culture can influence the attitude or leadership of business actors. Furthermore, the current environmental strategy is one of the good corporate strategies to improve business performance; therefore, organizational culture is beneficial in determining its environmental approach to achieve its goals. Based on these arguments, there is still the research gap between independent variables to business performance, so this study uses organizational culture as a moderating variable. Yıldırım & Birinci (2013) and Jogaratnam (2017) explained that organizational culture influence business performance.

LITERATURE REVIEW

Agency Theory

Jensen & Mackling et al. (1976) stated that agency theory describes shareholders as principals and management as agents. Management is a party contracted by the shareholders to work in the interests of the shareholders. For this reason, principles give management some power to make decisions in the best interests of shareholders. Therefore, management is obliged to provide all its efforts to shareholders. The management accounting system can help managers work optimally to do planning and make the best decision to control all activities to achieve company goals. Managers should do to improve business performance to maximize profits for shareholders.

Stakeholder Theory

Freeman (1984) introduced a stakeholder theory. A group or individual that can influence the achievement of an organization's goals is called a stakeholder. The company can survive on stakeholder's support. Management as an agent leads the company to achieve its goals. In this case, company performance needs sustainability leadership. Sustainable leadership embraces aspects of humanistic management in that it includes valuing people and considering the firm as a contributor to social wellbeing. These practices form a self-reinforcing leadership system that enhances the performance of a business and its prospects for survival (Avery & Bergsteiner, 2011).

Besides, environmental strategy is one of the company's strategies. Environmental factors use for achieving company goals. The manufacturer must pay attention to environmental conditions to achieve company goals (Rötzel et al., 2019). Culture forms the basis of group identity and shared thoughts, beliefs, and feelings. One of the most critical functions of leaders is company founders, creating and managing corporate culture (Yıldırım & Birinci, 2013). The management accounting system, leadership and organizational culture influence corporate strategy, which leads to the company's business performance (Jogaratnam, 2017). Organizational culture is an important determinant factor for business performance (Ayuningtyas & Sujana, 2018). Umrani et al. (2017) confirmed a strong relationship between organizational culture and business performance.

The Effect of Management Accounting System on Business Performance

In agency theory, the manager as an agent must be able to run the company well by making the right decisions to achieve the company's goals, namely high profits for shareholders. Managers have to run the company and reach high business performance by using a management accounting system. Managers have a function to manage others people to achieve the company's goals. Managers can use the management accounting system to improve company performance. Management accounting generates valuable information to help workers, managers, and executives to make better decisions.

Gnawali (2018) the presence of a management accounting system can help managers make the right decisions in running the company well. According to Ghasemi et al. (2019),

a management accounting system affects business performance. MAS positively impacts business performance (Al-Mawali, 2013; Fuadah et al., 2020; Ghasemi et al., 2016).

Management accounting system gives a good impact for managers in planning and controlling until deciding. Managers as the agent will do their obligation to improve company performance. Based on the explanation above, the hypotheses proposed in this study is:

H1: Management accounting system has a positive effect on business performance

The Effect of Sustainable Leadership on Business Performance

Sustainable leadership embraces aspects of humanistic management in that it includes valuing people and considering the firm as a contributor to social wellbeing. Employees as internal stakeholders have an essential role in improving the performance of a business. They are people who are directly involved in the production process. Comfortable and harmonious conditions among employees will result in good cooperation so that the company's performance will be better.

As stakeholder theory, the company can survive on stakeholder support. Sustainable leadership of managers can lead the company to achieve its goals. These practices form a self-reinforcing leadership system that enhances the performance of a business and its prospects for survival (Avery & Bergsteiner, 2011). Sustainability leadership will make the company better in achieving its performance goals. The readiness of employees under sustainable and exemplary leadership will be loyal to the company's goals. Bendell et al. (2017) and Burawat (2019) found that SL has a positive effect on business performance.

Based on stakeholder theory, the manager is one of the stakeholders in a company that can contribute to the progress of business performance. Companies will be running well if there are sustainable leadership; so the hypotheses proposed in this study is: H2 = Sustainability leadership has a positive effect on business performance.

The Effect of Environmental Strategy on Business Performance

The selection of the right strategy is a part that needs to be considered in companies to create value for consumers to produce a competitive advantage for the company. A company with the right strategy can adapt to every function activity in the organization, especially environmental factors. Environmental strategy is a company strategy in achieving company goals by considering environmental factors. Based on agency theory, management will act to maximize profits by using the environmental technique. It will provide more value to the company for improving performance company. Companies must pay attention to environmental conditions to achieve company goals (Rötzel et al., 2019). Fousteris et al. (2018) and Rötzel et al. (2019) found that environmental strategy positively affects business performance.

Manager as the agent who has the mandate to generate high profit by an environmental strategy which is it will give more value for business performance; so, the hypotheses proposed in this study is:

H3 = Environmental strategy has a positive effect on business performance.

Organizational Culture Moderates the Effect Management Accounting System on Business Performance

Employees who already understand the organization's overall values will make these values a personality of the organization. Value and these beliefs will be manifested into their daily behaviour in work to be individual performance. Supported by a management accounting system, respectively good individual performance will lead to good organizational performance also. Based on agency theory, the shareholder desires maximum returns. The manager needs a management accounting system for making good decisions. The culture adopted by an organization can directly or indirectly influence the company's business performance through various uses of the management accounting system for decision making. The organizational culture supporting company goals will help the manager by using a management accounting system to satisfy their work quickly. This theory support research by Jogaratnam (2017) that organizational culture has influence business performance.

As an agent, a manager will do their work easily by a management accounting system. With MAS, the company will less their cost on planning, organizing and controlling activities by using MAS because managers do their work the by system. The support of an organizational culture that uses a system makes managers work more precise and accurate, making business performance better. On this basis, the hypothesis proposed is:

H4 = Organizational culture strengthens the relationship between the management accounting system on business performance.

Organizational Culture Moderates the Effect Sustainability Leadership on Business Performance

Sustainability leadership to have a positive effect on improving employee performance. The critical roles of organizational culture triggered the growth of sustainable leadership. The higher the quality of leadership will make better the perception of each member of the organizational culture. Culture forms the basis of group identity and shared thoughts, beliefs, and feelings, one of the most defining and vital functions of leaders (Yıldırım & Birinci, 2013).

Based on stakeholder theory, individuals or groups can improve business performance and lead the operational company. Organizational culture can influence managers to conduct a business by using all existing resources in the company. Most academics who study organizations and other observers admit that organizational culture strongly influences long-term performance and effectiveness. The company's organizational culture will support sustainable leadership, so managers can work optimally to improve business performance. On this basis, the proposed hypothesis is:

H5 = Organizational Culture strengthens the effect Sustainability leadership on business performance.

Organizational Culture Moderates the Effect Environmental Strategy on Business Performance

Most academics who study organizations and other observers admit that organizational culture strongly influences organizations' long-term performance and effectiveness (Yıldırım & Birinci, 2013). Based on agency theory, company management will act to maximize profits for shareholders. Therefore, to increase a good business performance is needed to maximize company profits by an environmental strategy. Organizational culture dramatically influences the company's strategy formulation process, from strategy formulation to strategy implementation. Organizational culture can control what kind of environmental strategy the company will use in achieving business performance optimally.

Managers as the agent will use environmental strategy to make a high profit for shareholders. Good support from organizational culture on its approach will help a manager to perform business performance better. Based on this description, the proposed hypothesis is:

H6 = Organizational culture strengthens the effect environmental strategy on business performance.

Based on hypothesis development above, the research framework shows below:

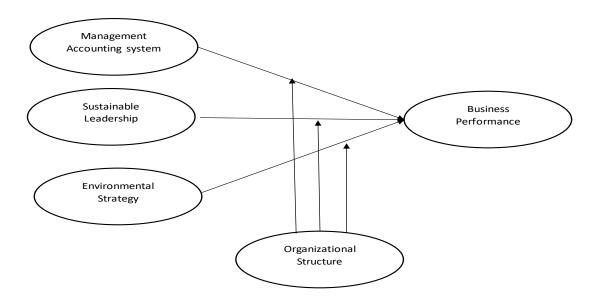


Figure 1. Research Framework

METHOD

In this research, the type of research used is causal research, which explains an independent variable's effect on the dependent variable. The independent variables in this study are the management accounting system, sustainable leadership and environmental strategy. Meanwhile, the dependent variable is business performance. We use organizational culture as moderating variable.

This research instrument uses a questionnaire based on the time horizon using a cross-section study. This study's data type uses primary data. Research or observations from employees or company workers, respondents who answer questionnaires distributed via e-mail or Google form and returned to researchers in responses to respondents.

This study adapted the measurement of the Management Accounting System from Ghasemi et al. (2019) by seven indicators such as scope, timeliness, integrations, aggregations, frontend functionalities, backend integration, and technology in use. Sustainable leadership measured in nine hands such as leadership personality, creativity, teamwork, sustainable relation, staff competence, loyalty, culture, the image of an organization and social responsibility (Šimanskienė & Župerkienė, 2014). The Environmental Strategy measurement based on Rötzel et al. (2019) with three indicators: reducing the environmental impact of product and process; environment objectives in line with corporate goals; environmental issues always considered when developing new products. We use the measurement of business performance variables in this study to adopt research indicators (Alazzani et al., 2017; Jogaratnam, 2017) with three aspects: financial, social, and environmental. The organizational culture measures three indicators: innovative culture, bureaucratic culture, supportive culture c

The population in this study were financial managers or management levels above of them in manufacturing companies in the DKI Jakarta area. The sampling technique used in this study was convenience sampling. The data collection method carried out using a survey in several ways, such as distributing questionnaires directly or using google forms. Moderate regression analysis with the following equation:

 $BP = \alpha + \beta 1 MAS + \beta 2SL + \beta 3ES + e$ (i)

 $BP = \alpha + \beta 1 MAS + \beta 2SL + \beta 3ES + e \beta 4 MAS*OC + \beta 5SL*OC + \beta 6ES*OC + e$ (ii)

Where,

| BP | = Business Performance |
|-----|--------------------------------|
| MAS | = Management Accounting System |
| SL | = Sustainable Leadership |
| ES | = Environmental Strategy |
| OC | = Organizational Culture |
| e | = Error |

The data in this study were analyzed using SPSS 23. SPSS can access data from various types of existing formats so that data that is already available in multiple formats can use directly to perform data analysis. The display of data provided by SPSS is more

informative, making it easier for users to read the results provided. The information provided is more accurate because SPSS itself provides information by giving a reason code in case of missing data SPSS itself is pretty easy to use, where users do not need to learn a programming language.

RESULT AND DISCUSSION

Respondents in this study were financial managers or management levels above them in manufacturing companies in the DKI Jakarta area. Questionnaires are distributed to 70 respondents in July 2020 via Google Form (https://docs.google.com/forms/d/e/1FAIpQLScIAYocCrdM64xpIEV7eyoIvacPD49P15V NpfEM72a1hHFxNA/viewform).

| Tuble If Rescuren Sumple Dutu | | | | | | |
|-------------------------------|--------------------------------------------|--------|------------|--|--|--|
| No | Description | Amount | Percentage | | | |
| 1 | Questionnaire distributed | 70 | 100% | | | |
| 2 | Questionnaires that returned | 70 | 100% | | | |
| 3 | Number of return questionnaires | 0 | 0 | | | |
| 4 | Number of incomplete questionnaires | 0 | 0 | | | |
| 5 | We processed 70 questionnaires as sampled. | | 100% | | | |
| | | | | | | |

Table 1. Research Sample Data

Source: Primary data, 2020

Table 2. Respondent's characteristics by gender, age, position and experience

| Gender | Age | Position | Experience | | | |
|-----------------------|------------------------|-----------------|-------------------|--|--|--|
| Male = 34 | < 30 years old = 13 | Managers $= 53$ | < 5 years $= 20$ | | | |
| Female = 36 | 30 - 45 years old = 35 | Others = 17 | 5 - 10 years = 34 | | | |
| | >45 years old $=22$ | | > 10 years $= 16$ | | | |
| Total =70 respondents | | | | | | |

Source: Primary data, 2020

We classified the respondent's characteristics by gender, age, position and experience. We do not state educational level in this study because the minimum requirement to be a manager is a bachelor degree or equally. Based on table 2 above, 70 respondents consist of 34 men and 36 women. Based on age, 13 respondents were less than 30 years old. As many as 35 respondents were between 30-45 years old; the remaining 22 were over 45 years old. The majority of respondents' positions are financial managers, 53 respondents, while the remaining 17 respondents are chief accountants and financial controllers.

Validity and Reliability Data

A data is valid if the Pearson correlation value> from the value of r table. The table value obtains by determining the degree of freedom. In assessing freedom df = n-2, this study's degree of freedom is df = 70 - 2 = 68. The value of the range table at df = 68 is 0.233 (Hair et al., 2010), 2016). To assess each construct's reliability in this study, researchers used a

Cronbach alpha value> 0.7 (Hair et al., 2010). After testing the validity and reliability, it concludes that the research data is valid and reliable.

Assumption Classic Test

This study has the classical assumption tests: normality test, heteroscedasticity test and multicollinearity test.

| Table 4. Hypothesis Test Result | | | | | | | |
|---------------------------------|--------------|-------------|------------|--------------|--|--|--|
| Variable | Prediction | Coefficient | t- | Sig. | | | |
| | | | Statistics | (two-tailed) | | | |
| Constant | | -4.666 | -0.923 | 0.359 | | | |
| Management Accounting | + | 0.035 | 0.537 | 0.593 | | | |
| System | | | | | | | |
| Sustainable Leadership | + | 0.881 | 3.983 | 0.000** | | | |
| Environmental Strategy | + | 0.867 | 3.451 | 0.001** | | | |
| Management Accounting | + | 0.054 | 0.814 | 0.419 | | | |
| System*OC | | | | | | | |
| Sustainable | + | 0.012 | 0.073 | 0.942 | | | |
| Leadership*OC | | | | | | | |
| Environmental | + | 0.181 | 1.021 | 0.311 | | | |
| Strategy*OC | | | | | | | |
| F-test result | Sig. 0.000** | | | | | | |
| Adjusted R ² | 0.560 | | | | | | |

Information: ****** significant at 5%; OC = Organizational culture; Dependent Variable = Business Performance

Source: The data were processed using multiple linear regression statistics

Based on table 4, the results of the f-test with a significant value of 0.000, which means that simultaneously the independent variable affects the dependent variable. Besides that, the adjusted square value is 0.560. This result shows that the independent variable in this study can explain 56% of the dependent variable. As of 44%, other variables outside the research model explain business performance.

Table 4 shows the results of the hypothesis testing. The significance of MAS is 0.593 > 0,05. The management accounting system has no significant effect on business performance (H1 rejected). Sustainable leadership has a significant positive effect on business performance, Sig. 0,000 < 0,05 (H2 is accepted). Environmental Strategy also has a significant 0,001. The environmental strategy has a significant effect on business performance (H3 is accepted).

The interaction variable between management accounting systems and organizational culture (MAS * OC) is 0.419> 0.05 means that the interaction variable of management accounting systems with organizational culture is not significant. It can conclude that the organizational culture variable is a pure moderator where the

organizational culture cannot moderate the relationship between MAS and business performance (H4 rejected).

The interaction variable between sustainable leadership and organizational culture (SL * OC) shows 0.942 > 0.05 means that the interaction variable of sustainable leadership with organizational culture is not significant. The organizational culture is a pure moderator where the organizational culture cannot moderate the relationship between sustainable leadership and business performance (H5 rejected).

The interaction variable between environmental strategy and organizational culture (ES * OC) shows 0.311> 0.05 means that the interaction variable of sustainable leadership with organizational culture is not significant. Organizational performance does not strengthen the relationship between environmental and business performance. The organizational culture is a pure moderator where the organizational learning variable cannot moderate the relationship between the environmental strategy and business performance (H6 rejected).

Discussion

The results of this study indicate that the management accounting system does not affect business performance. This result in line with Kurniawati et al. (2018). In contrast, the results of this study contradict the research of (Al-Mawali (2013), Gnawali (2018), and Ghasemi et al. (2019). This study's result disagreed with agency theory, stating that investors incur agency costs through managers who generate a maximum profit using MAS. MAS has an essential role in providing information for decision-making considerations (Gurendrawati & Murdayanti, 2015). The use of a management accounting system will help managers make decisions that impact achieving good business performance. While, in this study, the availability of information generated by the management accounting system in sample companies is minimal or inadequate. The management accounting system in the sample companies already provides the information required by management, but its availability is still limited. The availability of precise, fast and accurate information is needed by management to plan, monitor, and make the right decisions to achieve company goals.

Sustainable leadership has a positive effect on business performance. This study is in line with Bendell et al. (2017) and Burawat (2019) that SL affects business performance. In line with stakeholder theory, the study's result stated that a group or individual could influence an organization's goals, so leadership from the manager can be an influencer to lead the company's business operation. Šimanskienė & Župerkienė (2014) the higher sustainable leadership will improve a business perform better. Based on this study, managers have good teamwork, good loyalty, and good social responsibility to an organization that makes sustainable leadership.

The results of this study support research from Fousteris et al. (2018) and Rötzel et al. (2019) that environmental strategy has effects on business performance. The result of this study shows that the environmental strategy has a positive impact on business performance. This study's result in line with stakeholder theory; the company can sustain and grow up

should pay attention to all stakeholders, including the environment. Manufacturing companies have to pay attention to environmental conditions (Rötzel et al., 2019). The implementation of environmental strategy is such as using technology and materials in making products utilizing product waste in the manufacture of new products. Some companies in this sample use this strategy to minimize product waste. The other goal, this strategy can maximize the profit that influences the company to perform better.

The interaction variable between MAS and organizational culture does not affect. Its means that organizational culture does not strengthen the relationship between MAS and business performance. MAS is one of the tools that managers use to work more efficiently and help them make the decision faster and more accurate. While several managers in this sample get used to working manually, MAS implementation was not optimally. Individual habits from managers tend to work manually, the company of the make not optimal to improve their business performance. The managers less receptive to innovation on the use of MAS so, innovative organizational culture cannot strengthen the relationship of MAS on business performance. This result contradicted with research by Jogaratnam (2017) that organizational culture has influence business performance.

Organizational culture does not strengthen the relationship of sustainable leadership with business performance. We can see the company corporate culture from its organizational structure. In this study, several companies have a complex organizational structure. A long bureaucratic culture makes managers take longer to make decisions to interfere with company performance (Jogaratnam, 2017). This study's result contradicts Kwarteng & Aveh (2018) stated that organizational culture influences corporate performance.

The interaction variable of environmental strategy and organizational culture does not affect business performance, which means that organizational performance does not strengthen the relationship between environmental strategy and business performance. The company of this sample research has a plan in environmental aspects like managing water, paper, and electricity to reduce their cost to improve their business performance. This strategy should be able to save costs to improving company performance better. But, the individual habit of some employees who pay less attention to water, paper and electricity makes environmental strategy cannot implement optimally.

CONCLUSION

This study examined management accounting systems, sustainable leadership, and environmental strategy on business performance. The study showed that there is an effect of sustainable leadership and environmental strategy on business performance. Besides, we looked at organizational culture as moderating variable. The result of this study did not support the effect of management accounting systems on business performance. The availability of information provided by the management accounting system in this study's sample companies is still inadequate makes some managers do their work manually. The company will pay attention to their leadership and environment for improving its sustain performance. Organizational culture has not strengthened the effect of management accounting system, sustainable leadership, environmental strategy on business performance.

The limitation of this study is the sample in this study is only the financial managers in manufacturing companies in DKI Jakarta Province, so we cannot generalize the result of this study, so it can expand or increase the number for further research of respondents in a different area. Organizational culture as a moderating variable does not strengthen the effect between independent and dependent variables; the research results are still lacking to describe the company's corporate culture. Therefore, further research can use organizational culture measurement with indicators from the Organization Culture Assessment Index (OCAI).

The results showed that the management accounting system had no significant effect on business performance. It can be a particular concern for company management and stakeholder to develop a management accounting information system. The availability of a management accounting information system can maximally assist company management in planning, monitoring and making decisions so that business performance is better.

REFERENCE

- Akintimehin, O. O., Eniola, A. A., Alabi, O. J., Eluyela, D. F., Okere, W., & Ozordi, E. (2019). Social capital and its effect on business performance in the Nigeria informal sector. *Heliyon*, 5(7), e02024. https://doi.org/10.1016/j.heliyon.2019.e02024
- Al-Mawali, H. (2013). Performance consequences of management accounting system information usage in Jordan. *Business and Economic Horizons*, 9(1), 22–31. https://doi.org/10.15208/beh.2013.3
- Alazzani, A., Hassanein, A., & Aljanadi, Y. (2017). Impact of gender diversity on social and environmental performance: evidence from Malaysia. *Corporate Governance* (*Bingley*), 17(2), 266–283. https://doi.org/10.1108/CG-12-2015-0161
- Avery, G. C., & Bergsteiner, H. (2011). Sustainable leadership practices for enhancing business resilience and performance. *Strategy & Leadership*, 39(3), 5–15. https://doi.org/10.1108/10878571111128766
- Ayuningtyas, N. P. W., & Sujana, I. K. (2018). Pengaruh Proporsi Komisaris Independen, Leverage, Sales Growth, Dan Profitabilitas Pada Tax Avoidance. *E-Jurnal Akuntansi* Universitas Udayana, 25, 1884–1912. https://doi.org/https://doi.org/10.24843/EJA.2018.v25.i03.p10
- Bendell, J., Sutherland, N., & Little, R. (2017). Beyond unsustainable leadership: critical social theory for sustainable leadership. Sustainability Accounting, Management and Policy Journal, 8(4), 418–444. https://doi.org/10.1108/SAMPJ-08-2016-0048
- Biaya, E., Ketepatan, D. A. N., & Kurniawati, E. (2018). Waktu Terhadap Kinerja Keuangan *Pt*. Surya Sukses. 11(1), 20–33.
- Burawat, P. (2019). The relationships among transformational leadership, sustainable leadership, lean manufacturing and sustainability performance in Thai SMEs manufacturing industry. *International Journal of Quality and Reliability Management*,

36(6), 1014–1036. https://doi.org/10.1108/IJQRM-09-2017-0178

- Company, P., Jensen, C., & Meckling, H. (1976). *<Jensen_76.Pdf>. 3*, 305–360. https://doi.org/10.1016/0304-405X(76)90026-X
- Fousteris, A. E., Didaskalou, E. A., Tsogas, M. M. H., & Georgakellos, D. A. (2018). The environmental strategy of businesses as an option under recession in Greece. *Sustainability (Switzerland)*, *10*(12). https://doi.org/10.3390/su10124399
- Freeman, R. E. E., & McVea, J. (2005). A Stakeholder Approach to Strategic Management. SSRN Electronic Journal, March 2018. https://doi.org/10.2139/ssrn.263511
- Fuadah, R. H., Yuliani, Y., & Arisman, A. (2020). Determinant Factors' Impact on Managerial Performance through Management Accounting Systems in Indonesia. *Journal of Asian Finance, Economics and Business*, 7(10), 109–117. https://doi.org/10.13106/jafeb.2020.vol7.no10.109
- Ghasemi, R., Habibi, H. R., Ghasemlo, M., & Karami, M. (2019). The effectiveness of management accounting systems: evidence from financial organizations in Iran. *Journal of Accounting in Emerging Economies*, 9(2), 182–207. https://doi.org/10.1108/JAEE-02-2017-0013
- Ghasemi, R., Mohamad, N. A., Karami, M., Bajuri, N. H., & Asgharizade, E. (2016). The mediating effect of management accounting system on the relationship between competition and managerial performance. *International Journal of Accounting and Information Management*, 24(3), 272–295. https://doi.org/10.1108/IJAIM-05-2015-0030
- Gnawali, A. (2018). Management Accounting Systems and Organizational Performance of Nepalese Commercial Banks. *Journal of Nepalese Business Studies*, 10(1), 8–19. https://doi.org/10.3126/jnbs.v10i1.19129
- Gurendrawati, E., & Murdayanti, Y. (2015). The Impact Of Information Technology, Management Accounting System Characteristics, and Locus Of Control To The Managerial Performance In The Telecommunication Service Companies. *Review of Integrative Business & Economics*, 4(1), 357–366. http://search.proquest.com/openview/01bba4f54440c69e9c74bb33effca4d2/1?pqorigsite=gscholar
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). Hair et al_2010.pdf. In *Multivariate Data Analysis*.
- Hove, G., & Banjo, A. (2015). Performance in the Construction Industry— A Conceptual and Theoretical Analysis. *Open Journal of Business and Management*, 03(02), 177–184. https://doi.org/10.4236/ojbm.2015.32017
- Jogaratnam, G. (2017). How organizational culture influences market orientation and business performance in the restaurant industry. *Journal of Hospitality and Tourism Management*, 31, 211–219. https://doi.org/10.1016/j.jhtm.2017.03.002
- Kwarteng, A., & Aveh, F. (2018). Empirical examination of organizational culture on accounting information system and corporate performance: Evidence from a developing country perspective. *Meditari Accountancy Research*, 26(4), 675–698. https://doi.org/10.1108/MEDAR-01-2018-0264
- Laukkanen, T., Nagy, G., Hirvonen, S., Reijonen, H., & Pasanen, M. (2013). The effect of strategic orientations on business performance in SMEs: A multigroup analysis comparing Hungary and Finland. *International Marketing Review*, 30(6), 510–535.

https://doi.org/10.1108/IMR-09-2011-0230

- Prakash, A., Jha, S. K., Prasad, K. D., & Singh, A. K. (2017). Productivity, quality and business performance: an empirical study. *International Journal of Productivity and Performance Management*, 66(1), 78–91. https://doi.org/10.1108/IJPPM-03-2015-0041
- Rötzel, P. G., Stehle, A., Pedell, B., & Hummel, K. (2019). Integrating environmental management control systems to translate environmental strategy into managerial performance. *Journal of Accounting and Organizational Change*, 15(4), 626–653. https://doi.org/10.1108/JAOC-08-2018-0082
- Saputra, I. (2020). the Influence of Environmental Performance, Organizational Reputation, Environmental Disclosure and Environmental Strategy on Bussiness Performance. *International Journal of Contemporary Accounting*, 2(2), 173. https://doi.org/10.25105/ijca.v2i2.8273
- Shao-Hsi Chung, (2012). Broad scope management accounting system and managerial performance: The impact of role ambiguity and functional difference. *African Journal* of Business Management, 6(30), 8873–8878. https://doi.org/10.5897/ajbm11.2181
- Šimanskienė, L., & Župerkienė, E. (2014). Sustainable Leadership: the New Challenge. Sustainable Leadership: The New Challenge for Organizations National, 2(1), 81–93.
- Umrani, W. A., Shah, S. M. M., Memon, P. A., & Samo, A. H. (2017). Organizational Culture and Business Performance: An Empirical Investigation in the Pakistani Context. *International Journal of Academic Research in Economics and Management Sciences*, 6(1), 93–107. https://doi.org/10.6007/ijarems/v6-i1/2575
- Yıldırım, N., & Birinci, S. (2013). Impacts of Organizational Culture and Leadership on Business Performance: A Case Study on Acquisitions. *Procedia - Social and Behavioral Sciences*, 75, 71–82. https://doi.org/10.1016/j.sbspro.2013.04.009