Measurement model of the influence of strategic management accounting on the growth of drinking water companies in South Kalimantan

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Abstract: This study discusses strategic human resource management in Regional Drinking Water Companies (PDAM) in South Kalimantan, focusing on operational challenges and dynamics of clean water management. This study uses quantitative methods with SEM PLS analysis to evaluate company efficiency, performance, and growth. Data were collected from four PDAMs representing various districts, covering 153 respondents. The results of the analysis show that company efficiency has a significant effect on growth, with T-Statistics 4.414 and P-Value 0.000. In addition, company performance is proven to affect efficiency (T-Statistics 8.820, P-Value 0.000) and growth (T-Statistics 2.696, P-Value 0.007). The application of strategic management accounting also contributes positively to efficiency (T-Statistics 2.670, P-Value 0.008) and growth (T-Statistics 2.605, P-Value 0.009). Mediation analysis shows that company performance and efficiency play a role in linking strategic management accounting to growth. This study provides important insights for PDAM management to implement strategic management accounting practices to improve efficiency, performance, and sustainable growth in facing challenges in the public service sector.

Keywords: Company efficiency, Company performance, Human resource management, Strategic management accounting.

1. Introduction

Strategic human resource management is important for Regional Drinking Water Companies to improve performance and services.clean water in South Kalimantan, particularly understanding the challenges and dynamics of water management in this region. The four PDAMs represent different districts with different geographical conditions, allowing for an in-depth analysis of the success of policy implementation and the operational challenges faced. The transformation of the PDAM form, according to PP Number 54 of 2017, requires strong leadership and strategic planning to improve service efficiency. This study provides valuable insights into effective strategies to improve PDAM performance and services, which can be applied to other regions.

The main problem faced is the high level of water loss due to old and damaged infrastructure. In addition, the difference in average water tariffs that are lower than the cost of goods sold (HPP) for Non-Revenue Water (NRW) causes financial losses that affect PDAM's contribution to Regional Original Income (PAD). Several studies have shown that corporate leadership and operational efficiency significantly affect performance, but vary depending on the context and conditions of the organization concerned. This situation is exacerbated by polluted river water quality and natural disasters such as floods. This study is challenging because it examines the effectiveness of Strategic Management Accounting in mediating corporate growth through leadership, efficiency, and performance. The focus on Regional Drinking Water Companies (PDAM) in South Kalimantan shows the special dynamics in the public service sector, including challenges of low capital, quality of human resources, and supervision. Theoretical aspects, such as differences in research results related to efficiency and performance, as well as the complexity of internal and external factors, add depth to this study. By

analyzing four PDAMs that have similar characteristics but face similar difficulties, this study paves the way for the development of innovative and sustainable solutions.

This study reveals various aspects of strategic management and its implications for organizational performance in various business sectors.(Daud et al., 2020). The implementation of strategic management among MSMEs shows a high level, with a significant positive influence on business sustainability.(Teguh Widayanto et al., 2020). This means that the better strategic management is implemented, the greater the opportunity for MSMEs to survive and develop.(Al Kausar et al., 2022). However, business strategy has no direct influence on earnings management, indicating that strategy does not affect corporate earnings management.(Juwono, 2012). In the context of micro-enterprises in South Sulawesi, strategic management practices and digitalization have been proven to have an impact on performance.(Puyo, 2023). However, weaknesses in the research design and sample size affect the validity and generalizability of the results, so further research with wider coverage and variables is needed.(Sari et al., 2018). EFAS and IFAS analysis shows that external factors (score 3.00) are stronger than internal factors (score 2.65), placing the company in a position that supports an aggressive strategy.(Azhar et al., 2023). This is seen in the case of McDonald's, which is in Quadrant I, showing the potential for growth.(Meliala et al., 2020). Strategic management accounting techniques also have a significant influence on the performance of MSMEs.(Junita et al., 2018), especially when moderated by competitive advantage. Managerial factors play a positive role in strategic planning.(Khasanah et al., 2023), which then affects the performance of MSMEs(Thania et al., 2024). In addition, management control systems (MSS) have been proven to have a significant impact on business strategy and company performance.(Irwanty et al., 2022). Strategic management accounting (MAS) provides important information for business decision making, as seen in the performance of hotels in Pekanbaru and hotels in Senggigi during the Covid-19 pandemic.(Azmi & Harti, 2021). Organizational capabilities also play an important role in supporting performance, where the ability to utilize resources and innovation makes a positive contribution.(Indirman et al., 2024). The concept of Society 5.0, through IoT, AI, and big data technologies, brings significant changes in strategic management accounting.(Widayanto, 2020). The study found that organizational strategy does not moderate the relationship between competitive environment and management accounting systems. AIS has become an important tool in performance measurement, with ERP dominating as the main form of AIS in companies. Although there is positive support for the effect of MAS on performance, research results vary due to differences in MAS implementation and company conditions. In the SME sector, formal business strategy planning improves performance through competitive advantage.(Mahfud, 2021). In this context, the application of strategic management accounting and organizational capabilities shows positive results on hotel performance during the pandemic.(Azmi & Harti, 2021), both partially and simultaneously. In addition, accounting information systems and the quality of financial reports play a significant role in the performance of MSMEs.(Fauziyyah, 2021). The quality of financial reports becomes a mediating variable that strengthens the relationship between accounting information systems and performance.(Praditya & Utomo, 2022). The characteristics of MSME owners, such as background and skills, influence the implementation of strategic management accounting, while market orientation and accountant participation do not show a significant influence.(Fatchuroji et al., 2020). In supply chain management, a collaborative approach has a positive impact on operational performance through operational capabilities.(Joe et al., 2023). Strategic management accountants not only present information, but also actively participate in decision-making teams.(Lubis & Lufriansyah, 2024). The use of strategic accounting information and big data enables companies to improve performance through benchmarking and integrated measurement techniques.(Tiara et al., 2023). This strategic model with Operational Capability has a positive effect on Operational Performance.(Fahira & Lunarindiah, 2023). There is a positive influence of Collaborative Supply Chain Management on Operational Performance mediated by Operational Capability.(Halim, 2023).

Previous studies have revealed obstacles in comprehensively understanding the effectiveness of human resource management in Regional Drinking Water Companies (PDAM) in South Kalimantan. As a strategic resource, proper human resource management can form an effective and efficient work group, thereby improving the quality of employee performance and the added value of the company

(Suhadi, 2005:74). However, limitations in the research methodology may limit the generalization of these findings to other contexts, such as the clean water industry in other regions or different business sectors. With increasingly complex business challenges and competition, PDAM needs to continue to innovate and improve its performance, which requires more in-depth and representative research to ensure that the human resource strategy implemented is truly effective and can adapt to market dynamics.

This study aims to analyze the influence of Strategic Management Accounting on the growth of drinking water companies in South Kalimantan through the mediation of company performance and efficiency, and to identify the extent of the role of company performance and efficiency in strengthening the impact of strategic management accounting on company growth. Academically, this study can add to the literature on the role of Strategic Management Accounting in influencing company growth through mediation, providing a basis for further research in this field. Practically, the results of the study can be a reference for drinking water company management to implement effective accounting strategies to improve company efficiency and performance, which ultimately drives company growth. These findings can also help policy makers in the drinking water sector in designing policies that support the implementation of effective strategic management accounting practices to improve company performance.

2. Research Methodology

2.1. Design

This research design uses a mediation model with the SEM PLS approach to analyze the influence of variables in drinking water companies in South Kalimantan.(Nigatu et al., 2024; Pratolo et al., 2020; Rahman et al., 2024). The four population points studied include PT Air Minum Tabalong Bersinar, PT Air Minum Murakarta Lestari, PDAM Balangan Regency, and PDAM Hulu Sungai Utara. Quantitative methods were applied to collect and analyze data statistically.

2.2. Population and Sampling

The four population points that are the objects of the study are drinking water companies in South Kalimantan, namely PT Air Minum Tabalong Bersinar in Tabalong Regency, PT Air Minum Murakarta Lestari in Hulu Sungai Tengah Regency, PDAM Balangan Regency, and PDAM Hulu Sungai Utara. The specific locations and addresses of each of these companies have been identified, showing a geographical distribution that covers various regions in South Kalimantan, including the Tanjung, Sungai Tabuk, Paringin, and Amuntai areas. These data provide an overview of the distribution of drinking water companies that are the focus of the study in the province. Sampling used a proposition model, so that 50 respondents from PDAM Tabalong Regency, 22 respondents from PDAM Hulu Sungai Tengah Regency, 41 respondents from PDAM Balangan Regency, and 40 respondents from PDAM Hulu Sungai Utara Regency. Thus, the total sample obtained from the four PDAMs was 50 + 22 + 41 + 40, resulting in 153 respondents representing the proportion of each PDAM. The total sample of 153 respondents was taken from four PDAMs in South Kalimantan(Andriani et al., 2020; Yunia, 2020).

2.3. Procedures and Data Collection

The data collected in this study consists of two types, namely primary data and secondary data. Primary data was obtained from respondents to test the established hypothesis, while secondary data was collected from each mineral water company that was the object of the study.(Gsuite, 2019). The data collection procedure involves several techniques: first, a questionnaire, containing questions related to the research, is distributed to all respondents; second, direct interviews with respondents and company leaders to obtain additional information; and third, documentation, namely research on relevant documents or records. Data analysis is carried out based on the results of the questionnaire related to Strategic Management Accounting, Company Efficiency, Company Performance, and Company Growth, with the results presented in figures, tables, statistical analysis, and in-depth conclusions.

2.4. Operational Variables

In this study, the constructs in this study consist of four main variables: Strategic Management Accounting (X), Company Efficiency (Z1), Company Performance (Z2), and Company Growth (Y).

For Strategic Management Accounting, there are eight questions covering environmental analysis, strategy formulation, strategy implementation, and evaluation and control. Company Efficiency is measured through seven items, covering the asset approach and the production approach. Company Performance is evaluated with ten items consisting of financial, customer, and internal process perspectives. Finally, Company Growth is measured with six items focusing on asset growth and company size. Item codes are used to systematically identify each question (Table 1).

Table 1.
Operational variables.

No	Construct	Construct items	Question items	Item code	Reference
1	Strategic management accounting (X)	1. Environmental Analysis 2. Strategy Formulation 3. Strategy Implementation 4. Evaluation and control	1. 2 grains 2. 2 grains 3. 3 grains 4. 2 grains	X.1.1 – X.1.8	(Finance et al., 2018; Kim, 2020; Rukmini et al., 2022)
2	Company efficiency (Z1)	1. Asset approach 2. Production Approach	1. 3 grains 2. 4 grains	Z.1.1 – Z.1.7	(Ariyani, 2017; Chrishartoyo et al., 2017; Setiawan, 2015)
3	Company performance (Z2)	1. Financial Perspective 2. Customer Perspective 3. Internal process perspective	1. 3 grains 2. 3 grains 3. 4 grains	Z.2.1 – Z.2.10	(Amiruddin et al., 2024; Handayani et al., 2023; Karomi et al., 2024; Nadas et al., 2024)
4	Company growth (Y)	1. Asset growth 2. Company Size	1. 3 grains 2. 3 grains	Y.1.1 – Y.1.6	(Kirowati & Amir, 2019; Wu et al., 2022; Yohan & Pradipta, 2019)

2.5. Research Procedures

In model analysis using Smart PLS, two important components analyzed are the outer model and the inner model.(Kirowati & Amir, 2019; Novita & Anjaningrum, 2023; Wan, 2024). In the outer model, an evaluation of the validity and reliability of the indicators that form the construct is carried out. All indicators in this study show significant factor loading values, where the factor loading value for Strategic Management Accounting (X) must range from 0.70 to 0.90, indicating that the indicator has a strong contribution to the construct. Furthermore, reliability is measured through Composite Reliability, with a value for Strategic Management Accounting reaching a minimum of 0.70, Company Efficiency (Z1) of 0.70(Hasan et al., 2024; Lidiawan, 2024), and Company Performance (Z2) of 0.70, all above the threshold value of 0.70. In the inner model section, the relationship between constructs is analyzed using R^2(Hariyani & Mishra, 2023; Musyaffi et al., 2021). The results show that R^2 for Company Performance (Z2) must reach a minimum of 0.50, which indicates that more than 50% of the variance in company performance can be explained by the existing construct.(Abbas et al., 2021;

Waskito & Wulandari, 2022). In addition, the Q^2 value must be above zero, with Q^2 for Company Performance of at least 0.35, confirming that the model has good predictive ability.(Dorta-Afonso et al., 2023; Salfore et al., 2023). Thus, both the outer model and the inner model show adequate validity and reliability, supporting the reliability of the research results.

3. Results and Discussion

3.1. Results

3.1.1. Descriptive Study

Dominance and mean values are two important statistical measures in data analysis, particularly in the context of strategic management accounting measures of corporate growth. Dominance values indicate the most frequently occurring values in a dataset, which can provide insight into general trends or patterns in respondents, while the mean, or average, indicates the middle value of all measured data.
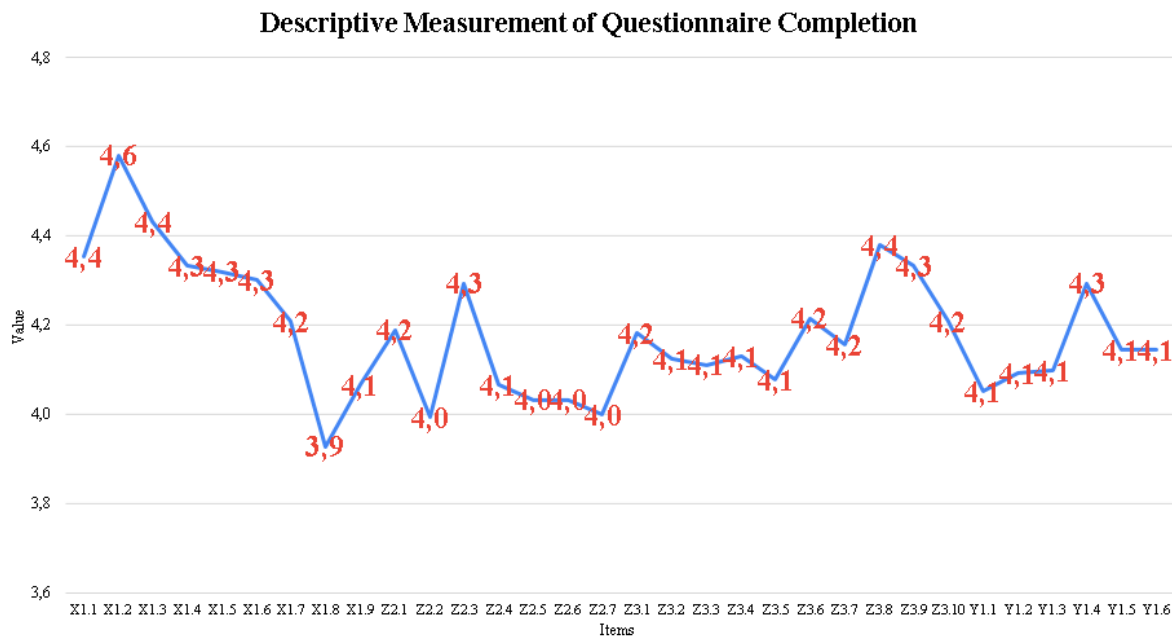

Figure 1.
Mean value of construct data.

In the analysis of drinking water companies in South Kalimantan, the dominance value of strategic management accounting indicators may point to performance measurement or cost control, which are most often considered important by managers. For example, if the cost analysis indicator has a high dominance value, it indicates that many companies consider it a top priority in their management. On the other hand, the average obtained from respondents' assessments of various indicators, such as budgeting and customer satisfaction, can provide a comprehensive picture of how effective the implementation of strategic management accounting is in achieving company growth. By combining information from the dominance value and the average, companies can better understand which aspects of management accounting have the most impact on their performance and growth, and take appropriate strategic steps to improve operational effectiveness and competitiveness in the market.
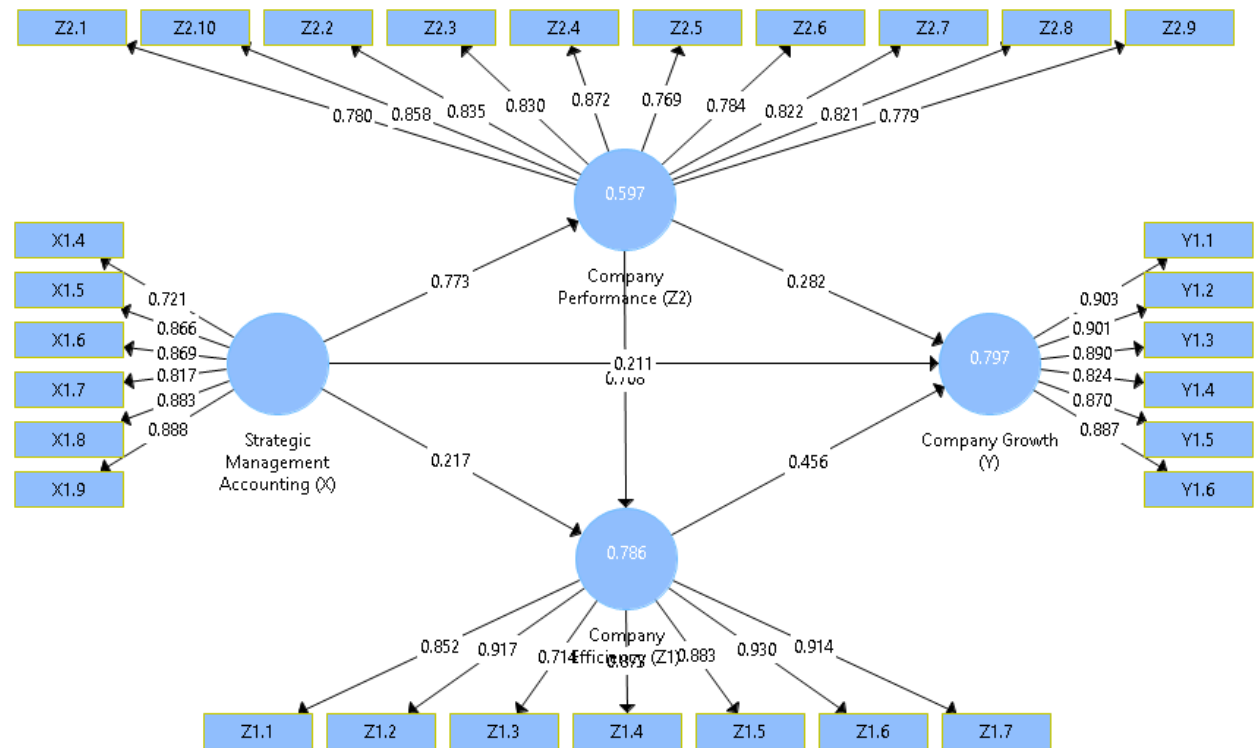
3.1.2. Outer model

Figure 2.
Structural equation outer model.

Table 2.
Outer model value.

Construct items	Outer loading	Standard	Decision	Cronbach's alpha	Composite reliability	Average variance extracted (AVE)	Decision
X1.4	0.721	> 0.7	Fulfilled				
X1.5	0.866	> 0.7	Fulfilled				
X1.6	0.869	> 0.7	Fulfilled	0.917	0.936	0.710	Fulfilled
X1.7	0.817	> 0.7	Fulfilled				
X1.8	0.883	> 0.7	Fulfilled				
X1.9	0.888	> 0.7	Fulfilled				
Y1.1	0.903	> 0.7	Fulfilled				
Y1.2	0.901	> 0.7	Fulfilled				
Y1.3	0.890	> 0.7	Fulfilled	0.941	0.953	0.774	Fulfilled
Y1.4	0.824	> 0.7	Fulfilled				
Y1.5	0.870	> 0.7	Fulfilled				
Y1.6	0.887	> 0.7	Fulfilled				
Z1.1	0.852	> 0.7	Fulfilled				
Z1.2	0.917	> 0.7	Fulfilled	0.946	0.957	0.760	Fulfilled
Z1.3	0.714	> 0.7	Fulfilled				
Z1.4	0.873	> 0.7	Fulfilled				

Z1.5	0.883	> 0.7	Fulfilled				
Z1.6	0.930	> 0.7	Fulfilled				
Z1.7	0.914	> 0.7	Fulfilled				
Z2.1	0.780	> 0.7	Fulfilled	0.944	0.952	0.665	Fulfilled
Z2.10	0.858	> 0.7	Fulfilled				
Z2.2	0.835	> 0.7	Fulfilled				
Z2.3	0.830	> 0.7	Fulfilled				
Z2.4	0.872	> 0.7	Fulfilled				
Z2.5	0.769	> 0.7	Fulfilled				
Z2.6	0.784	> 0.7	Fulfilled				
Z2.7	0.822	> 0.7	Fulfilled				
Z2.8	0.821	> 0.7	Fulfilled				
Z2.9	0.779	> 0.7	Fulfilled				

Based on the analysis results from Table 2. Outer Loading, the measurement model used in this study shows very good reliability and validity. Each item has an Outer Loadings (OL) value > 0.7, indicating that the indicators used significantly explain the construct being measured. The lowest OL value is 0.714 (Z1.3), but still meets the minimum requirements. In terms of reliability, all constructs have Cronbach's Alpha above 0.7, which means that their internal consistency is good, with the highest value at Y1 (0.941). The Composite Reliability (CR) value is also high (X1: 0.936, Y1: 0.953, Z1: 0.957, Z2: 0.952), ensuring that the constructs used are very reliable.

For convergent validity, the Average Variance Extracted (AVE) values all exceed 0.5, indicating that most of the variance of the indicators can be explained by the construct in question, with the highest AVE in Y1 (0.774) and the lowest in Z2 (0.665), but still above the minimum limit specified. Overall, these results indicate that the measurement model is valid and reliable, with significant and reliable indicators to measure the constructs studied. This allows the use of the model in further research with a high level of confidence.

Table 3.
Fornell-Larcker criterion value eligibility.

Construct	Company efficiency (Z1)	Company growth (Y)	Company performance (Z2)	Strategic management accounting (X)	Average variance extracted (AVE)	Standard	Decision
Company efficiency (Z1)	0.872				0.760	>0.5	Worthy
Company growth (Y)	0.865	0.880			0.774	>0.5	Worthy
Company performance (Z2)	0.876	0.845	0.816		0.665	>0.5	Worthy
Strategic management accounting (X)	0.764	0.778	0.773	0.843	0.710	>0.5	Worthy

Based on the analysis results from Table 3. Feasibility of Fornell-Larcker Criterion Values, all constructs in the measurement model show good validity and reliability. The Average Variance Extracted (AVE) values for each construct are as follows: Company Efficiency (Z1) = 0.760, Company Growth (Y) = 0.774, Company Performance (Z2) = 0.665, and Strategic Management Accounting (X) = 0.710. All of these values exceed the minimum standard of 0.5, indicating that the variance of each

indicator can be well explained by the construct in question. Thus, these constructs have significant convergent validity.

The correlation between constructs also shows a strong and significant relationship. Company Efficiency (Z1) correlates with Company Growth (0.865), Company Performance (0.876), and Strategic Management Accounting (0.764). Company Growth (Y) has a correlation of 0.880 with itself and is highly correlated with other constructs. Company Performance (Z2) correlates with Z1 (0.876), Y (0.845), and X (0.773), while Strategic Management Accounting (X) shows a fairly strong correlation with Z1 (0.764), Y (0.778), and Z2 (0.773). Overall, this analysis shows that the measurement model is valid and reliable, with AVE values that meet the standards and significant correlations between constructs. This model can be used effectively in further research.
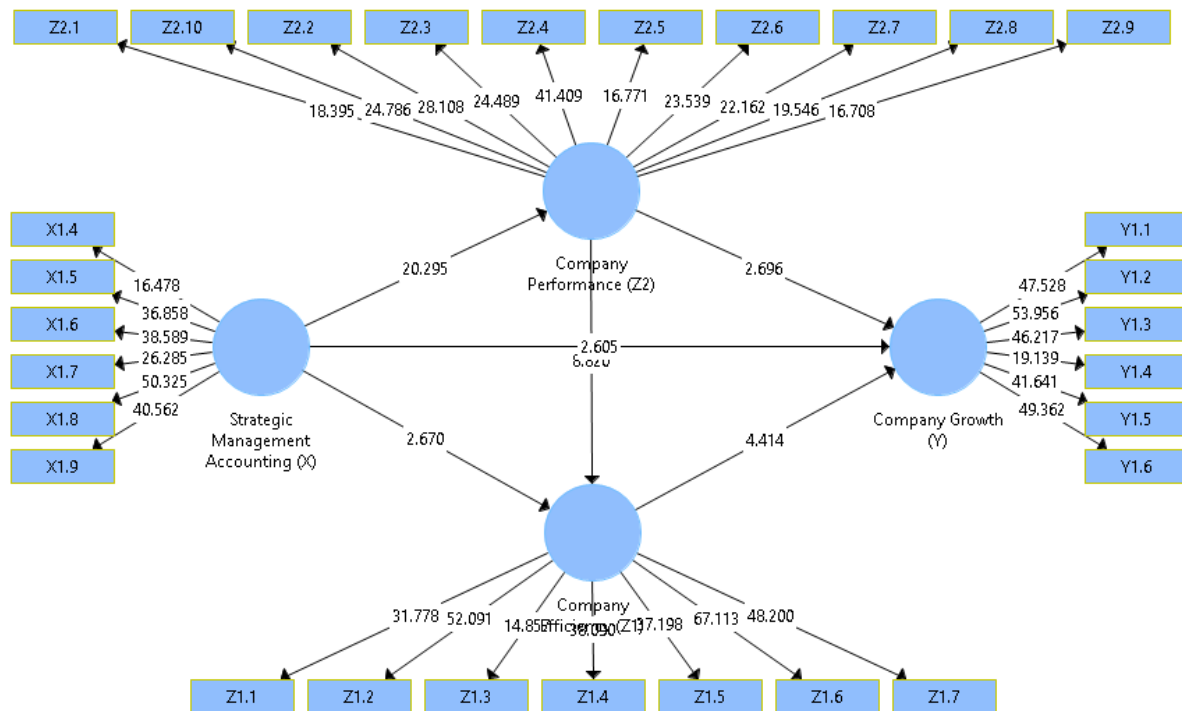
3.1.3. Inner Model

Figure 3.
Structural equation inner model.

Table 4.
Partial path hypothesis value.

Partial path	T statistics	P values	Sig. standard.	Decision
Company efficiency (Z1) -> Company growth (Y)	4.414	0.000	<0.05	Hypothesis accepted
Company performance (Z2) -> Company efficiency (Z1)	8,820	0.000	<0.05	Hypothesis accepted
Company performance (Z2) -> Company growth (Y)	2,696	0.007	<0.05	Hypothesis accepted
Strategic management accounting (X) -> Company efficiency (Z1)	2,670	0.008	<0.05	Hypothesis accepted

Strategic management accounting (X) -> Company growth (Y)	2.605	0.009	<0.05	Hypothesis accepted
Strategic management accounting (X) -> Company performance (Z2)	20,295	0.000	<0.05	Hypothesis accepted

The results of the partial path analysis in Table 4. show significant relationships between various constructs in the research model. Based on the T-Statistics and P-Values, here are the descriptions and decisions for each path:

1. Company Efficiency (Z1) → Company Growth (Y):
   T-Statistics = 4.414, P-Value = 0.000 (<0.05). The hypothesis is accepted, indicating that company efficiency has a significant influence on company growth.
2. Company Performance (Z2) → Company Efficiency (Z1):
   T-Statistics = 8.820, P-Value = 0.000 (<0.05). The hypothesis is accepted, which means that company performance significantly affects company efficiency.
3. Company Performance (Z2) → Company Growth (Y):
   T-Statistics = 2.696, P-Value = 0.007 (<0.05). The hypothesis is accepted, indicating that company performance significantly affects company growth.
4. Strategic Management Accounting (X) → Company Efficiency (Z1):
   T-Statistics = 2.670, P-Value = 0.008 (<0.05). The hypothesis is accepted, indicating that strategic management accounting has a significant effect on company efficiency.
5. Strategic Management Accounting (X) → Company Growth (Y):
   T-Statistics = 2.605, P-Value = 0.009 (<0.05). The hypothesis is accepted, confirming that strategic management accounting has a significant effect on company growth.
6. Strategic Management Accounting (X) → Company Performance (Z2):
   T-Statistics = 20.295, P-Value = 0.000 (<0.05). The hypothesis is accepted, indicating that strategic management accounting has a very significant influence on company performance.

All hypotheses are accepted with P value <0.05, indicating that each hypothesized relationship in the model has a significant effect. Strategic management accounting plays an important role in improving the efficiency, growth, and performance of the company, while efficiency and performance of the company also have a significant impact on growth.

Table 4.
Hypothesis value of mediation path.

Mediation path	T statistics	P values	Sig. standard	Decision
Strategic management accounting (X) -> Company performance (Z2) -> Company efficiency (Z1)	8,424	0.000	<0.05	Hypothesis accepted
Company performance (Z2) -> Company efficiency (Z1) -> Company growth (Y)	4.362	0.000	<0.05	Hypothesis accepted
Strategic management accounting (X) -> Company performance (Z2) -> Company efficiency (Z1) -> Company growth (Y)	4.199	0.000	<0.05	Hypothesis accepted
Strategic management accounting (X) -> Company efficiency (Z1) -> Company growth (Y)	2,098	0.036	<0.05	Hypothesis accepted
Strategic Management Accounting (X) -> Company Performance (Z2) -> Company growth (Y)	2,619	0.009	<0.05	Hypothesis accepted

The results of the mediation path analysis Table 5. shows several significant relationships involving the mediation role between the constructs in the model. The following are descriptions and decisions based on the T-Statistics and P-Values for each mediation path:

1. Strategic Management Accounting (X) → Company Performance (Z2) → Company Efficiency (Z1):

T-Statistics = 8.424, P-Value = 0.000 (<0.05). The hypothesis is accepted, indicating that Company Performance (Z2) mediates the relationship between Strategic Management Accounting (X) and Company Efficiency (Z1) with a very significant influence.

2. Company Performance (Z2) → Company Efficiency (Z1) → Company Growth (Y):
   T-Statistics = 4.362, P-Value = 0.000 (<0.05). The hypothesis is accepted, indicating that Company Efficiency (Z1) significantly mediates the effect of Company Performance (Z2) on Company Growth (Y).

3. Strategic Management Accounting (X) → Company Performance (Z2) → Company Efficiency (Z1) → Company Growth (Y):
   T-Statistics = 4.199, P-Value = 0.000 (<0.05). The hypothesis is accepted, indicating a significant chain mediation from Strategic Management Accounting (X) to Company Growth (Y) through Company Performance (Z2) and Company Efficiency (Z1).

4. Strategic Management Accounting (X) → Company Efficiency (Z1) → Company Growth (Y):
   T-Statistics = 2.098, P-Value = 0.036 (<0.05). The hypothesis is accepted, indicating that Company Efficiency (Z1) mediates the relationship between Strategic Management Accounting (X) and Company Growth (Y) with a significant influence.

5. Strategic Management Accounting (X) → Company Performance (Z2) → Company Growth (Y):
   T-Statistics = 2.619, P-Value = 0.009 (<0.05). The hypothesis is accepted, indicating that Company Performance (Z2) significantly mediates the influence of Strategic Management Accounting (X) on Company Growth (Y).

All tested mediation paths showed significant results (P-Value < 0.05), which means the mediation role of Company Performance (Z2) and Company Efficiency (Z1) in the relationship between Strategic Management Accounting (X) and Company Growth (Y) and other constructs is recognized significantly. This confirms the importance of the mediation role in enhancing the relationship between the main variables in this study.

Table 5.
Path value decision f² and R².

Construct	R²	R² adjusted	Decision	f² line	f²	Standard value	Decision
Company efficiency (Z1)	0.786	0.783	Very good	Company efficiency (Z1)-> Company growth (Y)	0.219	f² ≥ 0.15	Fulfilled
Company growth (Y)	0.797	0.793	Very good	Company performance (Z2)-> Company efficiency (Z1)	0.945	f² ≥ 0.15	Fulfilled
Company performance (Z2)	0.597	0.595	Very good	Strategic management accounting (X)-> Company performance (Z2)	1,484	f² ≥ 0.15	Fulfilled

The results of the structural model analysis show that the construct has a high R² value, indicating very good predictive quality. Here is a further description based on the R², R² Adjusted, and f² values:

1. Company Efficiency (Z1):
   R² = 0.786, R² Adjusted = 0.783. This means that 78.6% of the variance in Company Efficiency (Z1) can be explained by the independent constructs involved in the model. This indicates that the model has strong predictive power on company efficiency.

2. Company Growth (Y):
   R² = 0.797, R² Adjusted = 0.793. This indicates that 79.7% of the variance in Company Growth (Y) is explained by the factors in the model, which also indicates excellent predictive power.

3. Company Performance (Z2):

R² = 0.597, R² Adjusted = 0.595. Approximately 59.7% of the variance in Company Performance (Z2) is explained by the relevant constructs, indicating a fairly strong model in explaining company performance.

Line f²:

1. Company Efficiency (Z1) → Company Growth (Y):
   The result of f² = 0.219. Company efficiency has a significant impact on company growth with an f² value that meets the standard.
2. Company Performance (Z2) → Company Efficiency (Z1):
   The result of f² = 0.945. Company performance has a very strong influence on company efficiency, as evidenced by the high f² value.
3. Strategic Management Accounting (X) → Company Performance (Z2):
   The result of f² = 1.484. Strategic management accounting has a very large impact on company performance with a very significant f² value.

The high R² and f² values confirm that this model is very good at explaining the variance in the constructs of firm efficiency, firm growth, and firm performance. The mediation path in the model also shows a significant impact with f² values that meet the standards. This model can be considered strong in predicting the relationship between constructs.

Table 7.
Fit model eligibility.

Parameter	Saturated model	Estimated model	Eligibility
SRMR	0.058	0.058	Eligible (≤ 0.08)
d_ULS	1,448	1,448	Worthy
d_G	1,486	1,486	Worthy
Chi-Square	1,152,749	1,152,749	Worthy
NFI	0.777	0.777	Eligible (≥ 0.70)

The feasibility analysis of the model conducted by considering several parameters shows that the estimated model has a very good fit with the available data. First, SRMR (Standardized Root Mean Square Residual) shows a value of 0.058 for both the measured and estimated models. This value is below the threshold of 0.08, indicating that the model has a decent fit and shows a small difference between the observed and predicted correlations. Furthermore, d_ULS (Squared Euclidean Distance) and d_G (Geodesic Distance) both have values of 1.448 and 1.486, respectively. Both of these values indicate that there is no significant deviation between the predicted and observed models, thus indicating that the model is feasible.

The Chi-Square value is 1,152.749 for both the measured and estimated models, indicating that the model has a good fit with the data, without significant deviation. Finally, the NFI (Normed Fit Index) shows a value of 0.777, which is higher than the minimum standard of 0.70, indicating that this model is better than the baseline model (null model). Overall, all evaluated parameters, namely SRMR, d_ULS, d_G, Chi-Square, and NFI, meet the established feasibility standards. Thus, this model can be considered valid and feasible for further analysis, as well as providing a strong basis for further research.

4. Discussion

The results of partial path analysis and mediation obtained from this study indicate significant relationships between the constructs involved, and provide in-depth insights into the role of strategic management accounting in improving corporate performance and growth. In this discussion, we will discuss the main findings and practical implications of the analysis.

First, the results show that Company Efficiency (Z1) significantly affects Company Growth (Y) with a T-Statistics of 4.414 and a P-Value of 0.000. This indicates that company efficiency is a key factor in driving growth. Efficiency in company operations, which includes optimal resource management, can minimize costs and maximize output. This is in line with the theory that efficient companies tend to be more competitive in the market, which in turn can result in better growth.

In addition, the relationship between Company Performance (Z2) and Company Efficiency (Z1) shows a very high T-Statistics (8.820) and P-Value 0.000, confirming that company performance has a significant effect on efficiency. Good performance includes not only profitability, but also other measurements such as customer satisfaction and innovation. Companies that succeed in improving their performance will usually implement better efficient practices, thus supporting operational efficiency.

Company performance is also proven to have a significant effect on company growth (T-Statistics = 2,696, P-Value = 0.007). This shows that companies with good performance tend to experience more significant growth. The implications of this finding suggest that focusing on improving internal performance should be a priority for management to achieve sustainable growth.

Furthermore, the role of Strategic Management Accounting (X) in improving company efficiency is also recognized. With T-Statistics of 2,670 and P-Value of 0.008, it can be concluded that the implementation of strategic management accounting has a significant positive impact on company efficiency. Strategic management accounting provides relevant information for better decision making, and thus can help companies identify and exploit efficiency opportunities.

Furthermore, strategic management accounting also has a significant effect on company growth (T-Statistics = 2.605, P-Value 0.009), and has a very significant effect on company performance (T-Statistics = 20.295, P-Value 0.000). This finding confirms that the implementation of strategic management accounting not only improves efficiency but also has a positive impact on company performance and growth. This shows that good management in strategic accounting aspects can be a significant differentiating factor in a competitive market.

Based on the mediation path analysis, the findings show that Company Performance (Z2) and Company Efficiency (Z1) play a significant mediating role in the relationship between Strategic Management Accounting (X) and Company Growth (Y). For example, the mediation relationship between Strategic Management Accounting, Company Performance, and Company Efficiency has a T-Statistics of 8.424 and a P-Value of 0.000. This shows that Company Performance plays an important role in linking strategic management accounting to company efficiency. This finding suggests that in order to increase growth, companies must focus on improving performance which will ultimately improve efficiency.

This model also shows a high R² value, with Company Efficiency (Z1) having an R² of 0.786, Company Growth (Y) of 0.797, and Company Performance (Z2) of 0.597. These values indicate that the model is able to explain significant variance in each construct, confirming the predictive power of the developed model. The high f² value also indicates a strong impact of each path studied, with Strategic Management Accounting having the largest impact on Company Performance.

Overall, the results of this analysis highlight the importance of the role of strategic management accounting in improving the efficiency, performance, and growth of companies. It can be concluded that companies need to prioritize strategic management accounting as part of their business strategy. This will not only improve efficiency and performance but also support sustainable growth in a competitive market.

In a practical context, the results of this study suggest that companies should implement more strategic and effective management accounting practices to improve operational efficiency and financial performance. Training and development in the field of management accounting also need to be considered to improve understanding and implementation of appropriate strategies. This is expected to encourage the achievement of better results in future company growth.

Overall, this study makes an important contribution to the literature on strategic management accounting and provides valuable insights for practitioners and academics in understanding the relationships among variables that influence firm efficiency, performance, and growth.

4.1. Strategy
Implementation of Strategic Management Accounting:
1. Integrating strategic management accounting into the decision-making process to improve the efficiency and effectiveness of company operations.
2. Provide training to staff to understand and apply relevant management accounting practices.

Company Performance Improvement:
1. Develop a comprehensive performance evaluation system, including indicators of customer satisfaction, product innovation, and profitability.
2. Using performance data to make evidence-based decisions that can improve operational performance.

Focus on Operational Efficiency:
1. Conduct regular operational audits to identify areas requiring efficiency improvements.
2. Implementing technologies that support optimal resource management, such as project management software and management information systems.

Building a Performance-Focused Organizational Culture:
1. Building a corporate culture that prioritizes innovation, efficiency, and high-performance achievement among employees.
2. Communicate the company's vision and mission clearly to all employees so that they are involved in achieving common goals.
       Continuous Analysis and Monitoring:
1. Conduct regular data analysis to monitor the relationship between strategic management accounting, performance, efficiency, and growth.
2. Implementing monitoring methods that enable companies to quickly adapt to market changes and operational challenges.

5. Conclusion and Suggestions

This study shows that Strategic Management Accounting (X) has a significant influence on Company Growth (Y) through the mediation pathway of Company Performance (Z2) and Company Efficiency (Z1). All mediation pathways tested were proven significant with a p value <0.05, so the hypothesis is accepted. The high R^2 value on Company Efficiency (Z1) (0.786), Company Growth (Y) (0.797), and Company Performance (Z2) (0.597) indicates that these variables are able to explain significant variability in the model. The f^2 value that meets the standard ($f^2 \geq 0.15$) also strengthens the strength of the influence between variables. These results indicate the importance of implementing Strategic Management Accounting to improve the performance, efficiency, and growth of drinking water companies in South Kalimantan. Company management can focus on improving accounting strategies and managing efficiency to achieve sustainable growth. Further research is suggested to explore other variables that may affect company growth, such as technological innovation or environmental strategy, to expand the scope of analysis and provide a more comprehensive understanding of the factors that affect the growth of drinking water companies.

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