

Management Accounting Practices and Organizational Performance of Manufacturing Companies in Nepal

A Dissertation Submitted to Office of the Dean, Faculty of Management in partial
fulfillment of the requirements for the Master's Degree

By

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CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled “Management Accounting Practices and Organizational Performance of Manufacturing Companies in Nepal”. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor. It has been proposed and presented as part of requirements for any other academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

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REPORT OF RESEARCH COMMITTEE

Mr. Sagar Gautam has defended research proposal entitled “Management Accounting Practices and Organizational Performance of Manufacturing Companies in Nepal”, successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisor Asst. Prof. Durga Datt Pathak and submit the thesis for evaluation and viva voce examination.

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This study entitled “Management Accounting Practices and Organizational Performance of Manufacturing Companies in Nepal” has been prepared in partial fulfillment for the Degree of Master of Business Studies (MBS) under the Faculty of Management, Tribhuvan University is based on research models involving the management accounting of manufacturing companies in Nepal.

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Sagar Gautam

July, 2024

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ABBREVIATIONS

ABC:	Activity Based Costing
CVP:	Cost Volume Profit
FIF:	First in first out IRR
IRR:	Internal rate of return
JVBs:	Joint Venture Banks
MA:	Management accounting
MAPs:	Management Accounting Practices
NPV:	Net present value
PBP:	Payback Period
PMS:	Performance Management System
SEM:	Strategic Enterprise Management
SMEs:	Small and medium enterprises
VBM:	Value Based Management
ZBB:	Zero Based Budgeting

ABSTRACT

Management accounting gives businesses a significant chance to compete in the market by giving clients high-quality goods and services. The purpose of this study was to investigate how management accounting techniques affect the performance of manufacturing firms, particularly those operating in Nepal. With a descriptive methodology, the study focused on a population of 1,800 employees of Dabur Nepal, Bottlers Nepal and Unilever Nepal., involving staff from top, middle, and lower management levels. Convenience sampling was used to ensure an unbiased selection, crucial for drawing accurate conclusions. A total of 400 questionnaires were distributed for primary data collection, which was conducted through a questionnaire. The study found that among manufacturing companies in Nepal, the most commonly used management accounting practice is information for decision-making. Budgeting, regulating, costing, performance assessment, and decision-making come next, in that order. The study suggests that firms should increase their awareness of the significance of information for decision-making practices, given its prevalence as the top management accounting practice in Nepalese manufacturing companies.

Key Words: Accounting, Budgeting, Performance, Costing, Controlling, Decision making

CHAPTER- I

INTRODUCTION

1.1 Background of the Study

The act of identifying, recording, categorizing, summarizing, analyzing, interpreting, and communicating a financial transaction in terms of its monetary value was known as accounting (Bhatt et al., 2023). Bookkeeping was both a science and a craftsmanship. Furthermore, very much like any remaining surges of science, even in bookkeeping certain principles are followed. Accounting was also based on a few presumptions. These concepts and principles are referred to as accounting concepts or principles. The primary goals of accounting were to determine the outcome and financial situation of a given period's business activities (Campos, et al, 2022.). However, as business firms and competition have increased, accounting's scope has expanded in recent years. Bookkeeping was additionally essential to address the issue of gatherings like the public authority, lenders, providers, clients, and so on (Mitchell, 2015). Management accounting, also known as managerial accounting, was the process of providing managers with financial data and resources to help them make decisions. The only thing that distinguishes management accounting from financial accounting was the internal term used by the organization. Financial reports like the invoice and the financial balance statement are shared with the company's management team during this procedure. Management accounting aims to use this statistical data to make better and more accurate decisions that control the business, its operations, and its growth (Anthony & Welsch, 1997).

In our economy, accounting was very important. Bookkeeping was the method involved with recording the monetary exchanges of a business. These transactions are summarized, analyzed, and reported to regulators, oversight agencies, and tax collection organizations as part of the accounting procedure. The fiscal reports utilized in bookkeeping are a compact rundown of monetary exchanges over a bookkeeping period, summing up an organization's tasks, monetary position, and income (Branka, 2012). An accounting practice was the routine application of accounting policies on the basis of which the business's day-to-day financial activities are gathered and recorded. As such, bookkeeping was the authorization and viable utilization of bookkeeping and inspecting rules and

arrangements to assess and screen the company's ordinary financial movement. Bookkeeping was separated into three classification the executives bookkeeping, monetary bookkeeping, and cost bookkeeping (Bhandari, 2007).

The management accounting system was emphasized in this research paper. The board bookkeeping was otherwise called administrative bookkeeping and can be characterized as a course of giving monetary data and assets to the director in navigation. The only thing that distinguishes management accounting from financial accounting was the internal term used by the organization (Dongal & Prajapati, 2014). The company's management term and the financial administration will share the financial balance statement in this proposal. Utilizing this statistical data to make better and more accurate decisions, control the business, activities, and development, are the goals of management accounting. Management accounting employs a variety of methods and tools, including economics, business analysis, financial accounting, costing, and others (Branka, 2012).

The executives bookkeeping measures breaks down and reports monetary and nonfinancial data that assists chiefs with pursuing choices to satisfy the objectives of an association. The board bookkeeping alludes to the board detail and records that outfit ideal factual and monetary guidance required by controlling to make a current and everyday goal. The executives bookkeeping includes getting ready and giving convenient monetary and factual data to business chiefs. So that they can make decisions about short-term and day-to-day management. The board bookkeeping depends on monetary bookkeeping and cost bookkeeping. According to Baines and Langfield-smith (2003), there was a strong correlation between changes in management accounting practices and strategy shifts. A few exploration studies have declared the administration bookkeeping frameworks assume a significant part in essential administration since it estimates the monetary and non-monetary exhibitions of and association. Management accounting provides trustworthy data to enable systematic decision-making at the right time (Rose, 2002).

Nepal was the most un-created country on the planet a huge number populace was still beneath the neediness line. The agro-overwhelm economy was additionally demolished by the complex geological circumstance. Different elements like landlocked circumstance, unfortunate assets preparation, absence of business visionary, unpredictable government approaches, political shakiness, and absence of institutional responsibilities

are answerable for the improvement of Nepal (Paudel, 2018). As a result, banks play a significant role in the country's economic growth. It focuses on the fundamentals of a developed nation's money market. Current banking was a fundamental industry that works inside the outskirts of the public as well as the global monetary framework. Monetary frameworks permit assets to be designated, contributed, or moved between financial areas (Dongal & Prajapati, 2001). The soundness of the country, as well as the worldwide economy, to a great extent relies upon a profoundly directed monetary framework. Banking was a crucial part of such a framework, Rose (2002) referenced that it was perhaps of the most vigorously controlled business on the planet. As a result, numerous authors have argued that the bank has shaped global economic development more than any other institution. Techniques in management accounting may give an organization a long-term advantage over its rivals in the market. Management accounting practices now include participation in an organization's strategic planning process as opposed to reporting historical data, particularly on variance analysis (Wagle & Dhal, 2004).

In the field of manufacturing companying, issues like consolidation, geographic expansion, globalization of banking, and an increased risk of failure are emerging. Both the external and financial sector risks have increased, as evidenced by the significant deterioration of the current account, the decline in the reserve, waning confidence, and liquidity stress in the banking sector, on the one hand, and the growth of manufacturing companies and financial institutions concentrating in the urban area with large credit flows to unproductive sectors such as real estate, housing, and margin type lending on the other. A management accounting system aids in decision-making, planning, control, evaluation, and organization performance because banking institutions are risk-taking businesses. Information from management accounting was also used to evaluate an organization's performance and coordinate product design, production, and marketing decisions (Wagle & Dhal, 2004).

Therefore this study examines the relationship between costing system, budgeting & planning, controlling and reporting, decision making, performance evaluation and organizational performance. Also analyze the impact of costing system, budgeting & planning, controlling & reporting, decision making and performance evaluation on organizational performance.

1.2 Problem Statement

The financial business was a high-risk business yet not really a high-benefit industry. In the banking sector, risk and return management was extremely challenging (Koirala & Acharya, 2013). In some manufacturing companies in Nepal, the traditional government management system was infused into the internal management system. In certain establishments HR which wasn't recorded yet to be determined sheet. However, it was an extremely valuable intangible asset (Khadka, 2019).

Profit does not just happen; success was the systematic execution of a plan. To succeed, each activity must be planned and managed. We discover that the practices are insufficient for the research questions to investigate the scenarios in which manufacturing companies use management accounting tools (Paudel, 2016). It likewise gives data to help directors in their preparation and controlling exercises. The executives bookkeeping exercises incorporate gathering, grouping, handling, dissecting, and revealing data to the board.

The information age entered the modern economy. Karki (2009) looked at how management accounting tools and techniques are currently used and found areas where they can be useful to gain a competitive advantage. The cutthroat business climate in the financial business likewise caused later development of the HR bookkeeping framework. An emerging nation like Nepal has incredibly experienced restricted assets blessings, especially the capital, specialized expertise, unfortunate labor, inappropriate preparation, ineffectual data and controlling framework, inadequate execution of strategies, political insecurity (Otley, 1980). This study was engaged to fill a hole, looking at the degree of purpose of the board bookkeeping and the job of the executives bookkeeping framework in Nepalese assembling organizations. In such manner following was the particular examination question.

- What are the key components of management accounting of manufacturing companies in Nepal?
- What was the relationship between components of management accounting practice (costing system, budgeting & planning, controlling & reporting, decision making, performance evaluation) and organizational performance of manufacturing companies in Nepal?

- How do components of management accounting practice (costing system, budgeting & planning, controlling & reporting, decision making, performance evaluation) influence organizational performance of manufacturing companies in Nepal?

1.3 Objectives of the Study

The primary goal of this study was to examine the effect of the executives bookkeeping framework rehearses in Nepalese assembling organizations.

1. To assess the key variable of management accounting of manufacturing companies in Nepal.
2. To examine the relationship between components of management accounting (costing system, budgeting & planning, controlling & reporting, decision making, performance evaluation) and organizational performance of manufacturing companies in Nepal.
3. To analyze the effect of components of management accounting (costing system, budgeting & planning, controlling & reporting, decision making, performance evaluation) on organizational performance of manufacturing companies in Nepal.

1.4 Rationale of the Study

Analyze the impact and the job of the administration bookkeeping framework on hierarchical execution in Nepalese assembling organizations was the principal motivation behind the review. After the consummation of the examination, it will be profoundly essential to make a system, independent direction, controlling, and execution assessment. The following was a significant study that, with the assistance of this study, can be extremely significant for national planners because it examines the possibility of improved management accounting practices in the future and represents current circumstances (Rose, 2002). The review are huge for the executives, investors, policymakers, academician, and the overall population like contributors, planned clients, and financial backers. As their preparation and methodologies completely depend on reliable bookkeeping data. The review provides a guidance to NRB to make straightforward bookkeeping rehearses, work on monetary data, and cause fabricating organizations to reveal bona fide and suitable monetary circumstances. The principal reasoning of this examination was as per the following (Smith, 2009):

Academic researchers who are interested in pursuing a career in accounting could use the study as a basis for additional research and critique. The study's archived report could be easily found in the library, and it would give the students more knowledge and skills regarding the variables that affect how well guides are received. The research would also significantly advance the body of knowledge regarding Nepali manufacturing companies' adoption of management accounting techniques. Researchers who wish to carry out additional research and stakeholders outside of the academic community would find these publications useful (Pavlatos & Paggios, 2009).

The results of the study could be used by an investor to assess whether manufacturing companies adhere to strict cost control procedures, perform project appraisals before starting a project, and have long-term plans for market expansion, revenue growth, and increased profitability before deciding whether or not to finance the business. By utilizing the review results, the financial backers in the area would be in a superior situation to figure out impact of Guides on hierarchical execution and be familiar with best arrangements concerning business execution and supportable productivity (Otley, 2009).

The public authority would have the option to comprehend the elements that impact the reception of Guides among assembling organizations in Nepal and the degree to which the arrangements drafted influence fabricating organizations (Munakarmi, 2002). Moreover, since the review would cause to notice the elements that impact the reception of Guides among assembling organizations, the review would give helpful bits of knowledge to the public authority and the strategy producers for versatile and imaginative techniques which would be reliable with current financial and cutthroat natural real factors. The public authority through different partners would work with advancement of functional approaches that would guarantee fast development of the areas thus enormous commitment to the economy as well as occupation creation opportunity (Karki, 2021).

1.5 Limitations of the Study

Since the world was ever-changing, this study was not an exception to the rule of every research. However, the researcher has made every effort to minimize the limitations. The current study has some limitations, which are as follows:

- i. Out of the total of 19 manufacturing companies, only three companies' employees are taken as a sample.
- ii. This study pays attention to the practices of management accounting tools only. It does not consider the implementation aspects of the tools.
- iii. This study mainly focuses on the practices of some important tools and techniques only.
- iv. The accuracy of the study was based on the data available from the management of manufacturing companies, the various published document of the manufacturing companies, and the response made by the respondent during the informal discussion.

CHAPTER- II

LITERATURE REVIEW

This chapter deals with review of theoretical, conceptual and empirical study conducted by different scholars in different time related to this topic. This chapter highlights the literature that is available in concerned subject as to my knowledge, research work, and relevant study on this topic, review of articles and review of thesis work performed previously. Therefore, first section is related to theoretical review, second section related to conceptual review and third section related to empirical review followed by research gap.

2.1 Theoretical Review

Even though different banks may use different specific ways, a review of the general ideas of credit risk management in this section can help paint a clearer picture of how banks manage credit risk. The following are the theories of credit risk management:

2.1.2 The Shift ability Theory

This theory states that assets can be held as government securities or other transportable open-market assets, rather than just self-liquidating bills (Moti, Masinde, & Mugenda, 2012). It's critical to keep in mind that the commercial loan concept was not replaced nor refuted by the shift ability hypothesis. Rather, the shift ability hypothesis took a more all-encompassing view of the banking sector by extending the range of assets deemed suitable for bank ownership. The idea of shift ability asserts that there exist other legitimate assets apart from commercial loans; yet, it does not assert that commercial loans are inappropriate assets held by banks.

According to the shift ability theory, a bank's ability to move its assets to another party at a defined cost determines how liquid it was. Thus, it would make perfect sense to include short-term open market investments in a bank's asset portfolio. According to Hosna and Manzura (2009), it was hard to refute the shift ability theory's substantial influence on banking practices. Essentially, it shifted the emphasis of regulators and bankers from loans to investments as a way to provide bank liquidity. Indeed, proponents of the idea argued that the purported liquidity of short-term, commercial loans was fundamentally false in the first place.

Shift ability hypothesis had serious flaws, according to Kargi (2011). The various writers on the subject all agreed that the real issue lay not so much with the theory itself as it did with the bank management practices that the theory gave rise to. The problem with the notion was that, although an individual bank might move its assets to obtain the necessary liquidity, this was not the true for all banks put together.

2.1.3 Value at Risk Theory

This theory uses statistical studies of past price movements and volatility to determine the possibility of portfolio losses. Because it was real-time risk measurement, banks and other financial institutions use it a lot. Businesses must consider this factor 15 while making decisions about trading and hedging. (Kaplanski & Levy, 2013). Value at risk can be computed using three variables: the entire potential loss, the possibility of that complete loss, and the time period. This theory was pertinent to the research since it aids in quantifying the credit risk related to non-performing loans and portfolios that pose a risk to the financial stability of MFIs. This approach also helps in determining the pertinent risk elements influencing the different MFI portfolios.

2.1.4 Liquidity Risk Theory

Liquidity risk was one major threat that precedes every relentless market catastrophe. The technique was known as the one that turns lone loss transactions into large-scale financial institution collapses, and it was argued to be the key indicator that drives up credit risks in addition to market risks. This also applies to the unprecedented debacle that the US mortgage market went through in 2007. Every financial institution should be able to recognize and categorize the many forms of liquidity risk that it encounters, claim Acerbi and Scandolo (2007). The balance sheet composition, product portfolio, cash flow reports, and deals of microfinance institutions are important factors in identifying the sources of liquidity that can be used to meet their liquidity needs. Therefore, any financial institution needs to evaluate its liquidity position to avoid any unfavorable effects on its earnings and capital. This hypothesis was pertinent to the research since it aids in measuring the liquidity risk connected to at-risk portfolios and non-performing loans, which in turn impacts MFIs' performance and financial stability. This theory also aids in identifying the relevant fluctuations in revenue and capital that affect the general stability of MFIs.

2.1.5 Affective event Theory

In order to explain how an employee's internal influences—such as thoughts, feelings, and emotions—are related to stimuli and reactions to various incidents that occur at work and have a significant impact on an employee's performance and job satisfaction, Thompson and Phua (2012) developed the affective event theory. An examination of those expectations revealed that the level of autonomy, the output of labor, or some other component of employment can stand in for the expectations that the workers had of the company. Employee satisfaction was impacted by workplace environment and expectations.

2.1.6 Equity Theory

Berscheid and Walster's (1973) equity theory provided clarification on how an individual assessed justice in respect to interpersonal interactions. The study discovered that the other party's effort was analyzed and that the quantity of input received from a relationship was contrasted with the product of a social transaction. Adams (1965) postulated that social inequality increases the likelihood of stress or discontent among employees because of variations in the input and output of effort between two social groupings or individuals. Equity theory study indicates that compensation inequities are a reason for concern in the majority of businesses. Adams (1963) found that workplace inequality increases stress and tension and might lead to employees responding differently from what the company expects of them.

2.1.7 The Anticipated Income Theory

After doing a thorough examination, Prochnow created a revolutionary lending hypothesis in 1949 that he named "the Anticipated Income Theory". According to Afriyie and Akotey (2011), their investigation showed that the bank always intended to collect term loans from the borrower's anticipated earnings, regardless of the kind and scale of the borrower's enterprise. Liquidity was obtained by projecting the borrower's income as opposed to selling the borrower's assets as in the commercial or traditional theory of liquidity or moving the debt to another lender as in the shift ability theory of liquidity. In essence, this idea suggests that rather than considering the borrower's present worth when making a loan, banks should consider their predicted revenue. Kolapo, Ayeni, and Oke (2012) highlight this theory's "future-oriented approach" to bank loans and advances as one of its noteworthy features. Another name for it was the "cash flow approach" to

lending. This idea only refuted the commercial loan theory, not the shift ability hypothesis, when properly understood. The shift ability theory, which maintains that a bank's secondary reserves are its main source of liquidity, was not called into question by this. Rather, it once again highlighted the kinds of loans that banks ought to offer, but the outcome was substantially different from that of those who backed the notion of commercial lending (Moti, Masinde, & Mugenda, 2012).

2.1.8 The Credit Risk Theory

Credit risk was the chance that a borrower may default on any type of loan by failing to make the required payments, according to Salas and Saurina (2002). The lender bears the main risk, which was principle and interest loss. A bank's insolvency may result in a partial or total disruption of loss, as it may not be able to compensate depositors for their losses. The lender may perform a credit check on the prospective borrower, require the borrower to obtain the required insurance, such as mortgage insurance, or search for third-party security or guarantees in order to reduce the lender's risk. Generally speaking, the more risk involved in a debt, the higher the interest rate that debtors must pay (Owojori, Akintoye, & Adidu, 2011).

2.1.9 The Liability Management Theory

This theory states that a bank does not have to follow traditional guidelines if it has a reserve deficiency since reserve funds can be obtained or purchased on the money market through short-term loan instruments. It was made clear by Shafiq and Nasr (2010) that this does not mean the bank was only responsible for its liabilities and has no regard for its assets. Rather, the theory continues to maintain that a bank's asset structure plays a significant role in providing liquidity to the bank. Nevertheless, the theory only takes into account one component of liquidity, arguing that the bank may also use its obligations to generate liquidity. A bank needs liquidity to permit deposit withdrawals and to satisfy the justifiable lending demands of its customers. In addition to being very profitable, bank loans also increase a bank's likelihood of keeping its depositors for a very long period if it was unable or unwilling to give money to them when they need it (Bhatt et al., 2023).

2.2 Conceptual Review

2.2.1 Management Accounting Practices

Mama practice assists an association with getting by in the serious, steadily impacting world, since it gives a significant upper hand to an association that guides the executive's activity, rouses ways of behaving, upholds and makes the social qualities important to accomplish an association's essential targets. MA primarily addresses management's internal requirements (Hiernaux, 2020). Unlike traditional financial accounting, which focuses on past information about legal financial matters such as ownership, investment, credit granting, taxation, regulation, and building the basis for conservative and consistent external reporting "in accordance with generally accepted accounting principles," this approach was designed to assess performance and create projections for the future. Adaptability was a fundamental quality of Mama since it surmises that cautious consideration has been given to decide the significant necessities of the executives, a large number of which can't be unequivocally recognized ahead of time (Parker, 2002).

MA was defined as " According to the Institute of Management Accountants (IMA), a professional association of both practicing and academic management accountants, "the process of identification, measurement, accumulation, analysis, preparation, interpretation, and communication of financial information used by management to plan, evaluate, and control within an organization and to assure appropriate use of and accountability for its resources." Additionally, Mama arranges financial reports for non-executive groups, including as lenders, investors, administrative agencies, and cost experts (Smith, 2009). Mama provides the executives with information based on the present situation so they can work independently. McWatters (2001) states that quality management accounting data has three attributes: Behavioral: it promotes acts in line with the strategic goals of a company; Technical: it improves comprehension of the phenomenon being studied and offers pertinent data for strategic decision-making; additionally Cultural: it fosters the development of a common set of cultural values, attitudes, and beliefs within a community or organization. Businesses must continuously improve in order to remain competitive in the global market of today. Great Guides assist the association with improving ceaselessly. There are so many MA tools and techniques developed and used worldwide as a result of these (Horngren & Datar, 2013).

The subfield of accounting known as management accounting was responsible for the production of data intended for the organization's managers. It was the method involved with recognizing, estimating, bookkeeping, dissecting, getting ready, deciphering and imparting data that assisted supervisors with satisfying the objectives and goals of the association. The graphed foundation of the board bookkeepers (UK) sees Mama as a fundamental piece of the executive's interaction which requires the ID, age, show, understanding and utilization of data. Smith (2014) additionally attests Mama includes the planning of monetary reports for non-the executive's gatherings like assessment specialists, investors, banks and administrative organizations (Koirala & Acharya, 2013).

2.2.2 Function of Management Accounting

The following are examples of management accounting functions that can be used to meet the various requirements posed by management when making sound business decisions:

Stewardship Function:

The stewardship function was a traditional accounting method that requires stewards or agents, like directors, to provide accurate and relevant financial information about resources they control but are owned by others, like shareholders. In addition to the fact that stewards are liable for giving data, however they should likewise submit to a grown-up, stewardship capability follow legitimate bookkeeping system which fulfill lawful and business needs yet are less vivacious and point by point than the expert acts of the executives and monetary bookkeeping. According to Bajracharya et al. (2005), the stewardship function was currently almost nonexistent and was typically applied to small businesses that do not necessitate more sophisticated methods (Mathuva, 2019).

Controllershship Function:

Regulator was top bookkeeper in an association, controllershship exercises are essential connected with the bookkeeping system. It comprises of significant exercises including monetary record keeping and detailing, inside reviewing, charge arranging, cost bookkeeping, administrative bookkeeping, and benefit arranging, and bookkeeping data framework, etc. The primary goals of the controllershship function are profit maximization and financial discipline maintenance (Bajracharya et al., 2005). What's more, different capabilities?

2.2.4 Cost-Volume-Profit Analysis

The executives bookkeeping approach, known as cost-volume-benefit inquiry, looked at the relationship between revenue, cost, and benefit for a certain time period and for a significant scope of movement. It is important to take into account the cost behavior pattern, including how to modify costs in response to variations in activity level. The response was that not all costs behaved similarly in relation to volume adjustments. "Cost-volume-benefit (CVP) analysis considers how total income, total costs, and working pay behave when selling value, result level, variable expense per unit, and reasonable expenses of an item change (Ittner & Larcker, 2022).'

2.2.5 Flexible Budget

"A spending plan which by perceiving was intended to change as volume of result changes" is how one described an adaptive spending plan.(The Chartered Institute of Management Accountants, located in London). A financial plan that is flexible enough to adjust to variations in the volume of deals and other activities that generate expenses. Although the management can tailor the flexible budget for different activity levels, it follows a similar framework as the master budget. Based on the actual level of activity attained for the performance review, the flexible budget will be developed. On the other hand, the expert financial plan was left unaltered in order to serve as the crucial yardstick for evaluating execution. It displays earnings and outlays just at the first set of movement degrees (Koirala et al., 2010).

2.2.6 Standard Costing

"Standard cost was a pre-determined cost that was calculated from the managements' standard of efficient operation and the relevant necessary expenditure," according to ICMA London. The product's predefined cost, based on engineering. Details and dealing with highly skilled value creation principles and future market pattern figures at the costs, regulations with a set amount communicated in rupees for materials, labor, and overheads for an anticipated creation." A framework known as "standard costing" was designed to control costs for each unit or cluster by determining in advance what the standard expenditure of an activity or administration should be in a particular situation and subject to certain costing demonstrations (Koierala et al., 2010).

2.2.7 Zero Based Budgeting

ZBB was a technique and instrument for organizing and choosing. It operates in the other way from how standard budgeting does. In traditional budgeting, the department manager merely needs to provide justification for budget increases over the preceding year. Therefore, any money that has already been spent will be returned. Regarding ZBB, the prior amount of expenditure was not mentioned. Every division's capabilities was thoroughly evaluated, and endorsements were given to all consumption rather than just increments. ZBB required all managers to fully defend their budget requests, starting with the Zero-Base. Whether the entire spending plan was increasing or decreasing did not interest the zero base. The chiefs need to begin from zero level legitimizing all costs regarding cost and advantages (Karki, 2021).

2.2.8 Accountability Accounting

It is impossible to supervise and manage every association in the confusing and dynamic environment we live in today. Without a doubt, decentralization was necessary. Obligation bookkeeping was a decentralized structure and system. The entire company was broken up into smaller unit-divisions, segments, departments, branches, product lines, and so on. Each unit was overseen and constrained by mindful individual, director. Managers are held accountable because they are given authority and responsibility. The unit's performance should be reported by managers to upper management.

With the assistance of responsibility accounting, the organization's subunits or responsibility centers can be identified as having primary responsibility for each action, measures and targets to achieve, and reports of these measures (Stratton, Horngre & Sudem, 2000).

(IOMA, USA) Responsibility Accounting was a method of accounting that places responsibility centers in charge of revenues, expenses, and capital. In the past, responsibility accounting only referred to the subunits' financial performance (cost, revenue, and profit), but these days, it measures the unit's overall performance.

2.3 Empirical Review

Ezechukwu et al. (2024) Analyze how Nigerian consumer goods companies'

organizational performance is affected by their use of environmental management accounting techniques. The impact of environment management accounting techniques on return on equity and return on asset was particularly investigated in this study. The study also looked at Nigerian consumer goods companies' financial reporting standards for environmental management. Ex-post facto research design was used in this study because establishing effect was the main objective rather than changing any variables. Listed consumer goods companies made up the population, and the study's purposive sample was limited to ten (10) companies whose annual reports were available for the 16-year period between 2007 and 2022. Regression analysis with ordinary least squares was used to examine the data. The findings demonstrated that while return on equity is not significantly impacted by environmental management accounting standards, return on asset is. The survey also discovered that Nigerian consumer goods companies differed significantly in their reporting of environmental management accounting procedures. Based on these results, the study made several recommendations, including that, in order to improve stable organizational performance, Indigenous and international consumer products companies make sure that strict environmental accounting procedures are followed.

Akuma et al. (2024) evaluated the relationship between Ghanaian manufacturing institutions' sustainability performance (SsP) and management accounting practices (MAPs). The sub-constructs of MAPs consist of the following: Decision Support System (DSS), Performance Management System (PMS), Budgeting System (BS), Costing System (CS), and Strategic Management Accounting Practices (SMAP). The three sub-indicators that make up SsP are Environmental Performance (EP), Social Performance (SP), and Financial Performance (FP). This study used a cross-sectional survey approach to collect quantitative data from managers of Ghanaian industrial institutions. This was accomplished by using a structured questionnaire. Smart PLS (version 4) was used to process the data from 266 respondents, and structural equation modeling was used for analysis. Significant positive correlations between CS and FP, DSS and EP, DSS and SP, PMS and EP, PMS and SP, and SMAP and EP were discovered in the paper. There were no notable links with any other directs. The study adds to the body of knowledge on MAPs by establishing an empirical connection between SMAP and SsP of Ghanaian industrial companies. These results add to the body of knowledge on MAPs by advising Ghanaian manufacturing companies to regularly assess the actions of rivals before

making decisions, as this will increase their sustainability. In order to improve their sustainability performance (SsP), the study advises Ghanaian manufacturing company leadership to use CS (such as job costing, process costing, and variable costing), DSS (such as customer profitability analysis and net present value analysis), PMS (such as ratio analysis and keeping track of reasons why employees leave the company or miss work), and SMAP (such as continuously monitoring what competitors are doing before making decisions).

Pramono et al. (2023) Examine how the manufacturing sector in Indonesia, which is one of the biggest emitters of carbon dioxide, is implementing the Sustainable Development Goals (SDGs). SDG 9: Sustainable Industrialization and Innovation and SDG 12: Sustainable Consumption and Production Patterns both call for the implementation of sustainability in this area. However, the immaturity of their manufacturing sectors frequently makes it difficult for developing nations to support the fulfillment of the SDGs. In order to ascertain if sustainability management accounting (SMA) and environmental management systems (EMS) may enhance organizational performance (OP) in the Indonesian manufacturing sector, this study empirically investigated the link between these two variables. A quantitative approach was used to collect data, and questionnaires were used as survey instruments. A sample of 325 respondents was used in this study, and the data were analyzed using structural equation modeling, or SEM. The results of the study showed a strong and favorable correlation between EMS and SMA as well as between these two variables and OP. The results show that in the Indonesian manufacturing sector, EMS mediates the link between SMA and OP. This study emphasizes how crucial SMA and EMS are as instruments for advancing SDGs in developing nations' manufacturing sectors.

Susilawaty and Lubis (2023) examined the development of management accounting practices, with MAP serving as a resource for managers to get the appropriate data for decision-making so they could compete with other market firms. According to contingency theory, there was never a perfect organizational leadership strategy that worked for every organization and under every set of conditions. This theory also looks at a number of external and internal variables known as "contingency factors" that assist management in selecting the best management accounting procedures. The literature reviewed for this study is a compilation and synthesis of previously published studies on

the development of management accounting procedures, and it is done using a narrative technique. Data was gathered from foreign journals listed in the Scopus index that contained publications published by Emerald, Elsevier, Fundacao Escola de Comercio Alvares Pentead, MDPI AG, Routledge, Springer, Taylor & Francis Ltd. There are up to 19 articles in the sample covering the development of management accounting techniques from 2018 to 2023. Many empirical studies employ a quantitative methodology, from which it can be inferred that old management accounting techniques are more commonly employed than modern management accounting techniques depending on many criteria and considerations.

Kaharti (2023) analyzed how management accounting practices (MAP) affect MSMEs' (micro, small, and medium-sized enterprises) in Indonesia's Kebumen Region of Central Java. A structured questionnaire was employed in a survey study design approach to gather information from 140 MSME owners. With SPSS version 20, both descriptive and inferential statistical methods were used to analyze the data. PAM had little effect on MSMEs' performance, with the exception of Strategic Management, which was subjected to limited testing. MSMEs' performance is impacted by PAM when they are tested concurrently. The dependent variable (business performance) and the independent variables (cost-determining system, budgeting system, performance evaluation system, decision-support system, and strategic management accounting system) have a substantial positive correlation, according to the findings.

Gyamera et al. (2023) reviewed a large number of management accounting studies. Previous studies have examined different facets of management accounting. However, there hasn't been any in-depth investigation into how management accounting services affect SMEs' financial success. By examining the impact of management accounting services on the financial performance of SMEs in Ghana's manufacturing, service, and commerce sectors, this study seeks to close this gap. The Registrar General's Department's registered SMEs make up the study's population. A population of 4,000 registered small and medium-sized firms was used to compute the sample size, yielding 365 SM-formula. Using a methodical sample procedure, managers of SMEs were selected, contacted, and sent questionnaires to fill up. The Technology Acceptance Model (TAM) and agency theory were employed in this investigation. The information gathered from the respondents was examined using the PLSSEM software. The study discovered a

connection between management accounting techniques and the success of SMEs.

Pedroso and Gomes (2023) the paradigm shift and upcoming problems related to the current function of management accounting are analyzed. The purpose of this work is to map the field of management accounting (MA) research, elucidating its present state and pointing out areas in need of further investigation. 784 papers published in 220 scientific journals that are indexed on Clarivate Analytics' Web of Science (SCIEXPANDED and SSCI) between 1958 and 2019 were reviewed for this article. Regression analysis, bibliometric analysis, and content analysis were all employed in the process. Trends and patterns in the literature were found, as well as the management accounting journals, writers, and topics that were most pertinent. Additionally, seven clusters were found that embody the management accounting field's general thematic research framework. This study demonstrates how management accounting was evolving into a multifaceted tool that supported managerial decisions across all organizational levels. In light of these contemporary worries about sustainable development and the digitization of corporate operations, research on MA was conducted. The study's conclusions led to the provision of theoretical and practical recommendations for management accounting researchers. Industry practitioners may find these studies helpful in expanding their understanding of new developments in management accounting techniques, approaches, and ideas.

Oladele (2023) analyzed the relationship between management accounting techniques (represented by benchmarking, value chain accounting, and balance scorecard) and performance SMEs; It also examined how the quality of accounting information functions as a mediator in the relationship between the performance of SMEs and management accounting strategies. Primary data for the study were gathered through a questionnaire, and partial least squares (PLS) methods were then employed for analysis. The study's findings showed a significant positive direct association between SMEs' performance and balanced scorecard and benchmarking data. However, the results show that value chain costs and SMEs' success did not significantly correlate. Additionally, this study only found that the quality of accounting information has a considerable positive mediation effect on SMEs' performance and the relationship between the balanced scorecard and performance. Thus, the study finds that the quality of accounting information acted as a mediating factor in the relationship between management accounting techniques and SMEs' performance, and that the performance of SMEs was positively correlated with

these techniques (balanced scorecard, value chain costing, and benchmarking). The study advises owners and managers of SMEs to use accounting information quality as a decision support system, balanced scorecards and benchmarking as management accounting strategies, and business process management in order to improve performance and position themselves for continuous improvement.

Campos, Gomes and Santos (2022) showed the rise of the economies of many nations has been significantly aided by the hotel sector. From a business standpoint, firms' success was largely dependent on their use of the best management accounting (MA) approaches and practices. Nevertheless, research in this particular field of the hotel sector was dispersed throughout the scientific literature in a variety of document kinds, languages, and years (2000–2020). A detailed examination of the worldwide effectiveness of management accounting techniques in the hospitality industry was essential to close this gap. The Web of Science database was accessed in three distinct languages for this study, and the papers to be included were organized using the PRWASMA standards. This gave the critical approach to this subject an empirical basis. The most important addition of the study was its careful examination of the literature on hotel management accounting methods, which was improved by a critical eye. The innovative methodology of the research centers on data demonstrating the increasing usage of specific hotel management accounting methods over time, such as the USALI and specific operating ratios. Practically speaking, the study's conclusions make clear which management accounting strategies are most commonly used in the hotel industry and how effective they are all around. The significance of the procedures for aiding in hotels' decision-making as well as the difficulties they must overcome in putting them into practice are also demonstrated.

Abdinabievna (2021) examined on organization of management accounting for the strategic potential of enterprises. In order to enable a thorough evaluation of the strategic management system's efficacy, the article creates a set of strategic potential indicators. It was verified, and a model form was put forth to generate a strategic forecast balance sheet that evaluates an organization's likelihood of achieving its strategic objectives. It is demonstrated how to carry out suitable analytical calculations using the strategic forecast balance, objectively evaluate the outcomes, and identify the reasons behind variances. The article suggests evaluating and analyzing strategic potential in order to identify efficient means of achieving the strategic objective. In order to maximize strategic

potential, it was advised to create a relationship between strategic development and reproduction. Fuzzy set theory technique was suggested for the integrated evaluation of strategic capability, taking into account industrial features, practice analysis, and economic perspectives. The values of the strategic potential of the state firm "Navoi Mining and Metallurgical Combine" for 2020–2024 were determined by applying the deflation process in the modification of numerical and non-financial variables in different directions in order to establish a logical relationship.

Kushwaha (2021) goal was to examine insurance businesses' management and accounting procedures. Primary and secondary sources of data gathering are used to gather the essential information and data. Cash flow and short-term budgeting, the main research findings, are mostly used as tools in a limited number of insurance businesses in Nepal. PBP, NPV, and IRR are the less frequently used methods for long-term investment decisions, while ARR was the most frequently used tool (69%) in the capital budgeting practices of the chosen insurance companies in Nepal, according to the study. This study also reveals that the methods used by the chosen insurance businesses in Nepal to assess and manage their overall performance include profit and loss realized by the end of the year for (85%) of the selected insurance companies. While budgetary control was used by 29% of the organizations, normal costing and breakeven point approaches are not applied. The chosen Nepalese insurance companies only practice (25%) cost-based pricing and (33%) their own prices when it comes to transfer pricing. The chosen Nepali insurance businesses, or 11%, practice market-based pricing and negotiating prices less frequently than any other pricing approach, while 18% do not apply any pricing techniques at all due to a lack of resources, expertise, or understanding. Regarding the variance inflation factor of independent variables, the values for planning, budgeting, and costing are 1.82, 2.227, controlling, and reporting, respectively, at 5.340. Since the values of each variable are fewer than 10, it may be concluded that the chosen Nepalese insurance companies' overall organizational performance has been significantly improved.

Emiaso, Egbunike and Patrik (2021) has aims to investigate the association between the use of strategic MA approaches and the organizational performance of manufacturing organizations in Nigeria. The survey research design was used in the study. All of Delta State, Nigeria's manufacturing enterprises make up the study's population. The research employed basic random sampling. 15 manufacturing firms were chosen at random to

participate in the research. Managers and accountants of the sampled organizations were given a self-designed questionnaire to complete in order to collect data for the study. The study's hypotheses were tested using regression and the t-test. Research findings indicate that the utilization of strategic MA tools was positively correlated with the organizational performance of surveyed organizations. The study concluded that implementing strategy MA practice was important to improve organizational performance of the firm and also discovered a substantial difference in decision making efficacy between the application of strategic MA tools and traditional MA procedures. Accordingly, the study suggests that manufacturing firms, particularly those in Delta State, implement suitable strategies to use Strategic MA tools in order to guarantee effective and practical decision-making processes that would improve organizational performance.

Ahmed and Ghani (2019) offers a priceless foundation that future research can use and helps to assess the GAP in MAPs studies conducted in various nations. Researchers and accounting professionals worldwide have been paying more and more attention to MAPs (MAPs) investigations, especially in those that are undergoing transformations. The data for this study was collected from earlier research and tallied according to the study's title, nation, sample size, and publication journal. The results demonstrated that a significant amount of time and resources have been devoted by researchers to studying accounting management techniques across a range of industries, most notably commercial banks.

Kariyawasam (2018) goal was to examine how cost accounting and MAPs are used in Sri Lankan manufacturing companies that are publicly traded. The applied and survey research methods have been employed to achieve this goal. The study indicates that activity-based costing was the primary costing approach utilized by publicly traded manufacturing companies in Sri Lanka, with process and job costing following closely behind. The traditional MAPs, including budgeting, target costing, planning and controlling, and cost volume profit analysis, are highly valued by MAPs in publicly traded manufacturing companies. It implies that in Sri Lankan manufacturing companies, traditional MAPs continue to have a big impact on new MAPs.

Eugene and Mwaston (2017) contributes to the body of knowledge in the area of MA by providing current insights on both literature and research methodologies. In this way, academics working on related topics in the future may utilize the study as a reference.

The study also confirms that MAPs, which include budgeting, performance evaluation, strategic analysis, information for decision-making, and costing systems, are helpful in boosting the business performance of SMEs in South Africa's Gauteng Province. The study provides more evidence that small and medium-sized businesses that participate in MAPs have improved business success. They continued to regularly create financial and managerial accounting reports, including budgets, profit and loss statements, balance sheets, cash flow statements, CVP analyses, and variance analyses. They do not use cutting-edge MA tools and procedures. Financial accounting reports are thought to be less useful than MA reports when it comes to accounting reports' usefulness. The study has management and theoretical ramifications. Theoretically, by carefully analyzing the relationship between management account practices and corporate performance, this study advances the notion of MA. In this way, the study adds significantly to the body of knowledge already available on the topic. The study also supports a new line of inquiry into MAPs by highlighting the role that MAPs play in the growth of SMEs in developing nations like South Africa.

Therefore other empirical review shows in table 1:

Table 1

Summary of Empirical Review

Date	Article	Author	Objectives	Methodology	Findings
2024	effect of environmental management accounting practices and reporting on organizational performance	Ezechukwu et al.	To examine the effect of environmental management accounting practices on organizational performance of consumer goods firms in Nigeria	The data were analyzed using ordinary least square regression.	The findings demonstrated that while return on equity is not significantly impacted by environmental management accounting standards, return on asset is. The survey also discovered that Nigerian consumer goods companies differed significantly in their reporting of environmental management accounting procedures.
2024	Management accounting practices and sustainability performance of manufacturing firms in Ghana	Akuma et al.	To assessed the connection between Management Accounting Practices (MAPs) and sustainability	Data from 266 respondents were processed using Smart PLS (version 4) and analyzed using the Structural Equation Modelling.	Significant positive correlations between CS and FP, DSS and EP, DSS and SP, PMS and EP, PMS and SP, and SMAP and EP were discovered in the paper. There were no

Date	Article	Author	Objectives	Methodology	Findings
			performance (SsP) of manufacturing institutions		notable links with any other directs. The study adds to the body of knowledge on MAPs by establishing an empirical connection between SMAP and SsP of Ghanaian industrial companies.
2023	Sustainability management accounting in achieving sustainable development goals: the role of performance auditing in the manufacturing sector	Pramono et al.	To examine the implementation of Sustainable Development Goals (SDGs) in the manufacturing sector in Indonesia	325 respondents were sampled and Structural Equation Modelling (SEM) analysis was used to examine the data.	The study's findings reveal a significant and positive link between SMA and EMS, as well as between these two variables and OP. The findings indicate that EMS plays a mediating role in the relationship between SMA and OP in the Indonesian manufacturing sector.
2023	Literature review on the evolution of management Accounting practices.	Susilawat y and Lubwas	to review the evolution of management accounting practices, where MAP was a reference for	The sample from 2018 to 2023 includes up to 19 articles. This study uses a narrative technique to review	Many empirical studies use a quantitative approach where based on factors and considerations it can be concluded that traditional

Date	Article	Author	Objectives	Methodology	Findings
			managers to obtain the right information	literature	management accounting practices are more widely used than contemporary management accounting practices.
2023	The present function of management accounting: A shift in paradigm and forthcoming obstacles.	Pedroso and Gomes	to map the research on management accounting (MA), clarifying its present function and recognizing possibilities and gaps for further study	Content analysis, regression analysis, and bibliometric analysis were used.	According to the report, management accounting was evolving into a multifaceted tool that supported managerial decisions across all organizational levels. In light of these contemporary worries about sustainable development and the digitization of corporate operations, research on MA was conducted.
2023	Management accounting practices and performance on MSMES in Indonesia.	Kaharti	to examine the effect of Management Accounting Practices (MAP) on the performance of Micro, Small, and Medium Enterprises	A survey research design approach was used using a structured questionnaire to collect data from	The results show a strong positive relationship between the dependent variable (company performance) and the independent variable (Cost Determining System, Budgeting System, Performance

Date	Article	Author	Objectives	Methodology	Findings
			(MSMEs)	140 MSME owners. Data were analyzed using descriptive and inferential statistical tools using SPSS version 20.	Evaluation Decision System, and Strategic Management Accounting System).
2023	an analysis of the effects of management accounting services on the financial performance of SME: The moderating role of information technology	Gyamer a	to fill the gap by analyzing the effect of management accounting service on the financial performance of SMEs in Ghana's commerce, service, and manufacturing industries.	The PLSSEM Software was used to analyze the data collected from the respondents. The sample size was calculated using a population of 4,000 registered small and medium businesses to arrive at 365	The study found a positive relationship between SMEs' performance and management accounting methods.

Date	Article	Author	Objectives	Methodology	Findings
				SM-formula	
2023	Management accounting techniques and performance of SMES in Nigeria: moderating role of accounting information quality	Oladele	To examine the link between management accounting techniques and performance SMEs	Using questionnaire, and analyzed using Partial Least Square (PLS) techniques.	The results of the study demonstrated a strong positive direct correlation between the performance of SMEs and both benchmarking and balanced scorecards. The findings, however, indicate that there was little correlation between value chain costing and the success of SMEs.
2022	Management Accounting Practices in the Hospitality Industry: A Systematic Review and Critical Approach	Campos, Gomes and Santos	To determine the overall performance in hospitality management accounting.	The bibliometric method of a systematic review focused on analyzing the role	The study's findings provide insight into the effectiveness of management accounting techniques generally and the most popular ones in the hotel sector. The significance of the procedures for aiding in hotels' decision-making as well as the difficulties they must overcome in putting them into practice are

Date	Article	Author	Objectives	Methodology	Findings
					also demonstrated.
2021	organization of management accounting for the strategic potential of enterprises	Abdinabi evna	To consider the identification of effective ways to achieve the strategic goal through the assessment and analysis of strategic potential.	The study used statistical tools like regression, descriptive and ratio analysis.	The concept of knowledge management, on the other hand, involves the formation of internal management processes, implemented through targeted interaction with the existing internal corporate knowledge system. The internal organizational knowledge system participates in this as an object of strategic management.
2021	management accounting practices in Nepalese insurance companies	Kushwah a	To analyze accounting practices and management of insurance	information and data are collected through primary as well as secondary sources	Cash flow and short-term budgeting, the main research findings, are mostly used as tools in a limited number of insurance businesses in Nepal.
2021	Strategic MAPs and organizational performance of	Emiaso, Egbunike and Patrik	to examine the relationship between organizationa	The study adopted the survey research design	The study's hypotheses were tested using regression and the t-test. Research

Date	Article	Author	Objectives	Methodology	Findings
	manufacturing firms in Nigeria		to analyze the performance of the Nigerian's manufacturing companies and the application of strategic MA techniques		findings indicate that the utilization of strategic MA tools was positively correlated with the performance of surveyed organizations.
2019	MAPs in many countries around the world a review of the literature	Ahmed and Ghani	to analyze the GAP in MAPs studies in several countries and provides an invaluable framework	Gathered from prior literature and tabulated based on title year and sample size as well as the publication journal.	The results demonstrated that a significant amount of research time has been devoted to studying accounting management techniques across a range of industries, most notably commercial banks.
2018	cost and MAPs in Srilanka's manufacturing industry	Kariyawa sam	to analyze the use of cost accounting and MAPs in public quoted manufacturing companies	Objectives applied and survey research method has been used	It suggests that traditional MAPs still have a significant influence over current MAPs in Sri Lankan manufacturing firms. Traditional methods are highly valued by MAPs in manufacturing

Date	Article	Author	Objectives	Methodology	Findings
					businesses that are publicly traded.
2017	practices of financial and MA: evidence from small and medium sized enterprises of Nepal	Eugine and Mwaston	Examine the impact of the Business Performance of Small and Medium Enterprises within the Gauteng Province	They used to prepare financial and MA reports such as profit and loss, balance sheet, cash flow statement	Through a rigorous examination of the relationship between management account practices and corporate performance, this study advances the MA idea in a significant way. Additionally, the work supports a fresh line of inquiry into MAPs by introducing the significance of MAPs.

2.4 Research Gap

Several research studies have been undertaken by Ahmed and Ghani (2019); Kariyawasam (2018) and Eugene and Mwaston (2017) regarding the management accounting and organizational performance. Given the limited findings from Emiaso, Egbunike and Patrik (2021), there was a need for more comprehensive testing and adjustment of variables to draw more conclusive results regarding management accounting. The aim of this research differs significantly from previous studies conducted by the aforementioned individuals.

Initially, there exists a research gap between this study and Kawor and Atinyo (2021) in terms of the time frame considered and the sample size utilized. This study employs advanced statistical tools such as correlation analysis, coefficient of variation, t-statistics, and multiple regression analysis, which were not utilized in Islam, Campos, Gomes and

Santos (2022). Particularly, the utilization of multiple regression analysis to assess the impact of management accounting on organizational performance distinguishes this study from its predecessors.

Furthermore, this study focuses on analyzing data from three selected manufacturing companies—Dabur Nepal, Unilever Nepal and Bottlers Nepal—which have not been thoroughly examined by Kosumi and Kosumi (2021). The insights garnered from this study can be valuable to individuals seeking a comprehensive understanding of both management accounting practices and organizational performance of manufacturing companies.

CHAPTER – III

RESEARCH METHODOLOGY

Research philosophy alludes to the different successive strides (alongside reasoning of each such moves toward) be embraced by specialist in concentrating on an issue with research projects are not significant, except if they are in consecutive, not entirely set in stone by the specific main pressing concern. Enlightening exploration configuration was utilized in this review. Methods for sampling data, tools for data analysis, research instruments, and other topics are covered in this chapter. The following strategy has been implemented in order to accomplish the stated goals.

3.1 Research Design

The study employed both descriptive and causal comparative research design. The features of causal research design was the independent variables that influence the organizational performance. The dependent variables, are measured, compared, and classified using a descriptive research design. While conducting the research, this study used quantitative research method.

3.2 Population and Sample, and Sampling Design

There are currently 19 manufacturing companies listed on the Nepal Stock Exchange (Annual Report of Mero Lagani, April, 2024). There are 1800 employees working in three manufacturing companies i.e. Dabur Nepal, Bottlers Nepal and Unilever Nepal (Website of Dabur Nepal, Bottlers Nepal and Unilever Nepal). The study select 950 employees from Dabur Nepal, 650 from Bottlers Nepal and 250 from Unilever which was the populations of this study. Based on this ratio, this study select 200 employee from Dabur Nepal, 145 employee form Bottlers Nepal and 55 employee from Unilever as a sample. Convenience sampling method was used while selecting sample organizations for this study.

3.3 Nature and Sources of Data

This study only used primary source of data by using survey among individual employee who work in manufacturing. A systematic questionnaire with a five-point Likert scale was used to gather data. The data are useful for generalization since this study used a

descriptive methodology to examine the causal relationship between the study variables. Experts will review the data collected from the questionnaire to ensure its reliability. A few portions of the questionnaire were changed after experts were contacted to improve the validity of the data acquired through the questionnaire for this study, which will assess the questionnaire's face validity.

3.4 Instrument of Data Collection

Data obtained by distributing questionnaire to 400 respondents through email the softcopy. Following data collection, several tools were used in SPSS program to conduct analysis. To accomplish the study's goal, a number of statistical and mathematical techniques have been applied. Regression analysis, correlation analysis, and descriptive statistics are the statistical methods used in this investigation.

3.5 Instruments

To measure the variables used in this study:

Table 2

Measurement of Variables

Variable	Items	Source
Costing System	5	Positive relation with explanatory variables. (Bajracharya, 2018)
Budgeting and Planning	5	Insignificant impact on performance Dirir (2022) and Pompian (2011)
Controlling and Reporting	5	Positive and significant relationship. Shin and Park (2018) & Wright and Anderson (1989)
Decision Making	5	Pompian (2011) shows significant impact on organizational performance
Performance Evaluation	5	Insignificant and negative relation. Ali, et. al (2023) and Kengathram and Kendatharam (2014)

3.6 Method of Analysis

Questionnaires were used to gather primary data, which the researcher personally reviewed. Four types were covered by the questionnaire items: herding bias, anchoring bias, disposition effect bias, and overconfidence bias. The individual investors were the ones who personally answered the questionnaires. This approach was suitable since it prompted respondents to answer as soon as possible. Every research project starts with data analysis and presentation. To ensure accurate findings from this study, a variety of

descriptive and inferential tool types were used to examine the data. To accomplish the study's goal, a number of statistical and mathematical techniques have been applied.

3.6.1 Descriptive Statistics:

To achieve the factors of management accounting practices that influence organizational performance of Nepalese manufacturing companies that describe the accounting aspect of this variables these tools have been used, mean and standard deviation.

3.6.2 Correlation Analysis

To investigate the connection between accounting components (costing system, budgeting and planning, controlling and reporting, decision making and performance evaluation) and organizational performance.

3.6.4 Regression Analysis

To examine how accounting factors costing system, budgeting and planning, controlling and reporting, decision making and performance evaluation affect organizational performance in the Nepalese manufacturing companies.

3.7 Baseline Model

Organizational performance was chosen by the study as a dependent variable. Costing system, budgeting and planning, controlling and reporting, decision making and performance evaluation are the independent factors. Using this model, organizational performance were examined for the impact of costing system, budgeting and planning, controlling and reporting, decision making and performance evaluation.

Model 1

$$OP = \beta_0 + \beta_1CS + \beta_2BP + \beta_3CR + \beta_4DM + \beta_5PE + \dots + e$$

Where,

OP = Organizational Performance

CS = Costing System

BP = Budgeting and Planning

CR = Controlling and Reporting

DM = Decision Making

PE = Performance Evaluation

β_0 = Constant when all independent variables are Zero

$\beta_1 + \beta_2 + \beta_3 + \beta_4 + \beta_5 + \dots$ = Corresponding coefficients

3.6 Data Analysis Tools and Techniques

The process of collecting, modeling, and transforming data for the purpose of highlighting useful information, drawing conclusions, and assisting in decision-making was known as data analysis. Data processing, presentation, and interpretation are all parts of data analysis. Information handling changes over information into data or information. The raw data from the questionnaires were used. Spellbinding examination incorporates bivariate and multivariable investigation, recurrence, proportion, extent, basic number-crunching rate proportion of the focal inclinations and proportion of scattering.

3.7 Research Framework and Definition of Variables

The conceptual framework clearly demonstrates the relationship between independent and dependent variables. A theoretical framework has been developed to determine how independent variables (MAPs) affect dependent variables (organizational performance). As can be seen below:

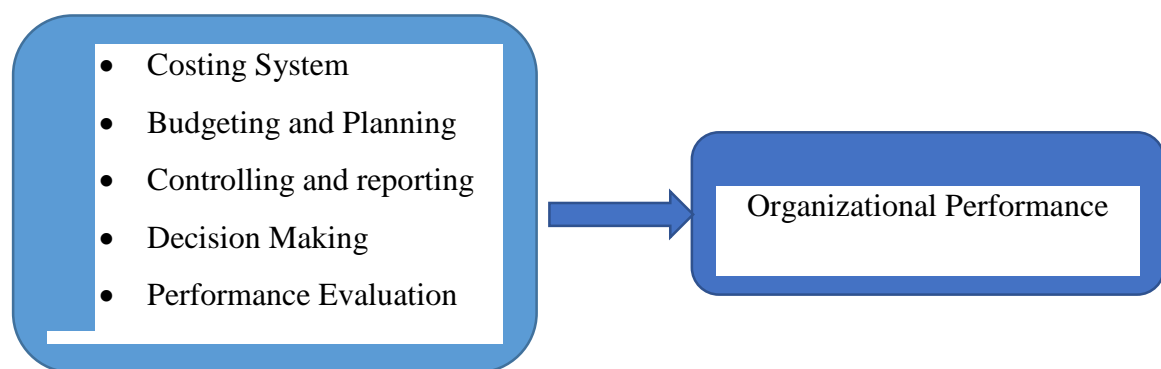


Figure 1

Research Framework

Source: (Modified from Belwase (2023) and Daniel, Mahazi and Mayanja (2020))

Definition of Variables

Banking Performance

Monetary development has been believed to be essentially affected by the presentation of banks. The expansion of the economy as a whole was aided by finance companies lending

money to investors and taking deposits from surplus funds. Recent developments in the banking industry include direct participation in economic activity and the channeling of funds (Branka, 2012).

Budgeting and Planning

A financial plan for a specific time period was known as a budget. Individuals and businesses alike can develop their own budgets. The demonstration of making or executing plans, especially those that make goals, rules, and conventions for a social or financial unit; see city arranging and corporate preparation. In administration, arranging was tied in with realizing how must be accomplished an objective, expecting changes and hindrances, and utilizing potential open doors and HR to accomplish the ideal outcome (Parker, 2002).

Controlling and Reporting

Gathering, dispersing, or more all utilizing data to survey how well different authoritative assets and cycles including deals, activities, money, and human resources are doing comparable to corporate system was known as controlling and detailing. After information assortment, organization, and displaying, "information utilization," the following stage in the information and examination process, incorporates controlling and announcing (Mathuva, 2019).

Decision Making

The set of steps a person takes to choose the best option or course of action for their needs was called a decision-making process. It was used in the context of business to describe the set of procedures that managers use within an organization to determine the intended course of action for achieving business objectives. According to Paudel (2016), it was one strategy by which managers can influence the successful and effective achievement of objectives.

Costing Systems

A costing system's purpose was to track a company's expenses. According to Bhatt et al. (2023), the purpose of the system's forms, procedures, controls, and reports was to compile and provide management with information regarding profitability, expenses, and revenues.

CHAPTER- IV

RESULTS AND DISCUSSIONS

This part basically integrates information show, examination and understandings. In order to arrive at the result, the presented data are analyzed and interpreted using statistical tools like the mean, standard deviation, and regression analysis of variance test.

4.1 Results

Identifying, presenting, and interpreting information used in strategy formulation, as well as planning, analyzing, processing, interpreting, and communicating the resulting information for use within organizations, are all aspects of management analysis (MA). So the executives can all the more really plan, decide and control activities (Shah and Ojha, 2016).

The fundamental target of the review was to analyze its authoritative presentation in Nepalese assembling organizations and to recognize the region where Guides could be applied to strength the assembling organizations. Data interpretation and analysis are discussed in this chapter. All manufacturing businesses with headquarters in the Kathmandu valley that are currently in operation are considered populations in order to achieve the goals. Among them questions were disseminated to ten assembling organizations. In addition to the questionnaire, discussions were held with manufacturing companies' senior managers and other senior employees. To get more data about the current act of Mama rehearses perspective on administrator, boss chief, diagrammed account and other representative are additionally remembered for this section. The raw data were processed, tabulated, and analyzed appropriately. They were introduced in to tables. Based on the questions that were asked, tables were created.

4.2 Descriptive Analysis for Variable Wise

The manufacturing companies that responded were asked to rate how often they used management accounting practices like costing, budgeting, controlling, evaluating performance, and making decisions. The positioning went from 1 to 5. Each question on the five-point Likert scale ranges from "strongly disagree" to "strongly agree,"

Table 3

Descriptive Statistics of Budgeting and Planning (N=400)

Code	Statements	Mean	Std. devi.
BP1	Budgeting develops a sense of responsibility, policy among the employees and assist in assignment of responsibility.	3.067	1.145
BP2	Budgeting increases operational efficiency; reduce waste and uncertainty of future.	3.157	1.160
BP3	Maximization of profit through careful planning and control is possible with the help of budgeting.	2.950	1.114
BP4	Budgeting helps to make plan about the sources and uses of money and when and where additional cash borrowing necessary.	3.287	1.172
BP5	Budget ensures better understanding and harmonious relation between top management managers and workers.	3.050	1.154
Overall Mean and SD		3.921	1.149

Source: SPSS output

The descriptive statistics for each item and the budgeting and planning sub-factor as a whole are presented in Table 3. The variables are measured using five statements. Every one of respondents presented their reactions in the five point liker scale. The standard deviation of the practices of budgeting and planning was 1.149 and the mean of 3.921. This demonstrates that efficient planning and budgeting can result in improved organizational performance.

Table 4

Descriptive Statistics of Costing System (N=400)

Code	Statements	Mean	Std. devi.
CS1	Costing system help segregate total cost in fixed, variable and semi-variable	3.122	1.169
CS2	Reduce cost in areas of product improvement	3.145	1.159
CS3	Organization has used cost information	2.980	1.119
CS4	Costing system identify opportunities for product improvement	3.322	1.169
CS5	Applied standard costing technique	3.100	1.146
Overall mean and Std.		3.820	1.152

Source: SPSS output

Descriptive statistics for each item and the costing systems sub-factor as a whole are presented in Table 4. The variables are measured using five statements. Every one of respondents presented their reactions in the five point liker scale. The standard deviation

of the costing practices was 1.152, and the overall mean was 3.82, which was higher than 3. This demonstrates the way that hierarchical exhibition could be accomplished through successful costing frameworks.

Table 5

Descriptive Statistics of Controlling and Reporting (N=400)

Code	Statements	Mean	Std. D.
CR1	To monitor and measures employees performance	3.457	1.047
CR2	Responsibility center helps to control cost	3.035	1.037
CR3	Detects & corrects unintentional error.	3.337	1.150
CR4	Progress in achieving corrective actions.	3.305	1.179
CR5	Problems should report on time in right place	3.360	1.113
	Over all mean and std	3.86	1.105

Source: SPSS output.

Descriptive statistics for each item and the controlling and reporting sub-factor as a whole are presented in Table 5. The variables are measured using five statements. Every one of respondents presented their reactions in the five point likert scale. Controlling and reporting practices have a mean of 3.86, which was higher than 3, and a standard deviation of 1.105. This demonstrates that controlling and reporting techniques can improve organizational performance.

Table 6

Descriptive Statistics of Performance Evaluation (N=400)

Code	Statements	Mean	Std. D.
PE1	Customer satisfaction surveys frequently.	3.152	1.178
PE2	Bench marking system has been adopted for the quality delivery of services	3.372	1.165
PE3	Performance evaluation was made based on RI, ROI, ROA, and ROE.	2.920	1.123
PE4	Performance evaluation was made based an employee's attitude or behavior	3.465	1.186
PE5	An effective measurement and reporting process can improve efficiency in productivity	3.165	1.198
	Over all mean and std. deviation	3.57	1.170

Source: SPSS output

Descriptive statistics for each item and the performance evaluation sub-factor as a whole are presented in Table 6. The variables are measured using five statements. Each respondent used a five-point Likert scale to express their responses. With a standard

deviation of 1.170, the overall mean of the controlling and revealing techniques was 3.57, which was more notable than 3. This illustrates how reporting and controlling strategies can enhance organizational performance.

Table 7

Descriptive Statistics of Decision Making (N=400)

Code	Statements	Mean	Std. D
DM1	Customer profitability analysis to make customer related decision	3.012	1.102
DM2	Increase market share, productivity and profit.	2.922	1.147
DM3	Launching a new product	2.895	1.132
DM4	The wise choice made by the BOD determines management functions.	3.160	1.112
DM5	Making decisions gives management accountants reliable cost information.	3.200	1.263
Over all mean and standard deviation		3.04	1.151

Source: SPSS output

Descriptive statistics for each item and the decision-making sub-factor as a whole are presented in Table 7. The variables are measured using five statements. Each respondent used a five-point Likert scale to express their responses. With a standard deviation of 1.151, the overall mean of dynamic practices was 4.29, which was significantly higher than the 3. This illustrates how effective decision-making can result in higher performance levels within a business.

Table 8

Descriptive Statistics of Organizational Performance

Code	Statements	Mean	Std. D
OP1	MAPs help to increase product service quality.	3.300	1.115
OP2	MAPs help to increase Return on Investment	3.465	1.075
OP3	MAPs help to development of new product.	3.357	1.097
OP4	Organizational performance was based on customer satisfaction level.	3.305	1.061
OP5	MAPs help to increase market share /sales margin.	3.422	1.117
Overall mean and standard deviation.		3.369	1.093

Source: SPSS output

Descriptive statistics for each item and the organizational performance sub-factor as a whole are presented in Table 8. The variables are measured using five statements. Every one of respondents presented their reactions in the five point liker scale. The standard

deviation for organizational performance was 1.093, and the overall mean was 4.204, which was higher than 3. This demonstrates the efficiency of the organization.

Table 9

Descriptive Statistics of Composite Dependent and Independent Variables

Variables	N	Min	Max	Mean	SD
Independent Variables:					
Budgeting and Planning	400	1.00	5.00	3.103	1.149
Costing System	400	1.00	5.00	3.134	1.152
Controlling and Reporting	400	1.00	5.00	3.299	1.105
Performance Evaluation	400	1.00	5.00	3.215	1.170
Decision Making	400	1.00	5.00	3.038	1.151
Dependent Variables:					
Organizational Performance	400	1.00	5.00	3.370	1.093

Source: SPSS Output

The descriptive statistics of the study's dependent and independent variables are presented in Table 9. Over the course of the investigation, the average level of organizational performance was 3.370 percent, with a standard deviation of 1.093. The highest level of organizational performance was 5 percent, while the lowest level was 1 percent. The hierarchical exhibition shows how proficient the assembling organizations are utilizing their representative source.

Over the course of the investigation, the first independent variables liquidity indicator ratio, which measures the standard deviation of budgeting and planning, averaged 3.103 percent with a maximum of 5 percent and a minimum of 1 percent. Moreover, costing framework shows that this shifts from at least 1 percent to a limit of 5 percent with a normal of 3.134 percent and standard deviation of 1.152. Essentially, the third free factors controlling and detailing shows that this differs from at least 1 percent to a limit of 5 percent with a normal of 3.299 percent and standard deviation of 1.105. The percentage of evaluations of performance varied from 1 to 5 percent. Then, the normal PE was 3.215 percent with the low standard deviation of 1.170. On the control variable, the direction has a reach from 1 to 5 and mean of 3.038.

4.3 Correlation Analysis

Yadav and Acharya (2013) state that correlation is a statistical metric that is utilized to examine the strength of the relationship between two or more variables. In the unlikely

event that the two things under investigation are all that exist, there should be a fundamental link. If there are two or more components under consideration, there should be a variety of connections in the interaction.

Table 10

Correlation Analysis

Variables	BP	CS	CAR	DM	PE	OP
Budgeting and Planning	1					
Costing System	.353**	1				
Controlling and Reporting	.017	.016	1			
Decision Making	-.037	-.009	-.022	1		
Performance Evaluation	.093*	.097*	.138**	.107*	1	
Organization Performance	-.110*	.008	-.030	.004	-.025	1

** . Correlation was significant at the 0.01 level (2-tailed).

* . Correlation was significant at the 0.05 level (2-tailed).

Multiple correlations between management accounting practices and organizational performance are depicted in Table 10. The correlation was measured using five variables. Figure out the relationship five point Likert scale has been utilized. According to the table, manufacturing company performance was positively correlated with management accounting practices.

4.4 Regression Analysis

Regression analysis is a statistical technique used to ascertain the relationship between two or more quantitative variables. An independent or explanatory variable is one about which we have knowledge, whereas a dependent variable is one whose value may be predicted. This approach led to the discovery of the equation describing the relationship between the variables. Multiple regression yielded an equation that predicts one variable from two or more independent variables.

Table 11

Model Summary

Model	R	R square	Adjusted R square	Std. error of the estimated
1	.376a	.141	.131	.40306

a. Predictors: (Constant), Controlling and reporting, Costing system, Budgeting and planning, Performance evaluation, Decision making.

Management accounting practices had a significant impact on manufacturing companies in Nepal's performance, as shown in Table 11. The finding of various relapse examination

among Guides and hierarchical execution demonstrates that Guides was huge indicators of authoritative execution. The R value of 0.376 indicated a moderate to high positive connection between MAPs and organizational performance. The independent factors explained 14.10% of the variance in the organizational performance of manufacturing enterprises in Nepal, as indicated by the R squared value of 0.141. Adj. According to the coefficient of R square, 14.10% of the variation in the dependent variable can be explained by the independent variables.

Table 12

ANOVA Table

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	10.548	5	2.110	12.986	.000b
	Residual	64.009	394	.162		
	Total	74.558	399			

a. Dependent Variable: OP

Predictors: (Constant), CR, CS, BP, PE, DM
Source: SPSS output

The outcomes in table 12 show that the f static was 12.986. At 5% degree of certainty, the F-static was huge. Because every predictor variable budgeting and planning, costing, performance evaluation, controlling and reporting, and decision making explains the variation in organizational performance, the model as a whole was significant.

Table 13

Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	Test (T)	P-Value
	B	Std. er	Beta		
Constant	2.269	.345		6.578	.000
Decision making	.374	.051	.347	7.399	.000
Costing system	-.002	.055	-.001	-.030	.976
Controlling and planning	-.048	.057	-.040	-.841	.401
Budgeting and planning	.054	.043	.060	1.267	.206
Performance evaluation	-.102	.043	-.110	-2.354	.019

Dependent variable: Organizational Performance

From the above results, the assessed condition can be composed by taking the qualities from the model-1

$$Y = a + B_1X_1 + B_2X_2 + B_3X_3 + B_4X_4 + B_5X_5$$

Therefore, $Y = 2.269 + 0.374X_1 - 0.002X_2 - 0.048X_3 + 0.054X_4 - 0.102X_5$

It was seen that the t-upside of four factors are measurably huge at 1% level in particular planning and Arranging, Navigation and Costing system, Execution Assessment. This suggests that these variables contribute to the explanation of the organization's performance variability. Nonetheless; the variable Controlling and Revealing wasn't measurably huge. Consequently, there was adequate proof that Administration Bookkeeping rehearses decidedly affects hierarchical execution.

4.5 Discussions

Based on the above results, this study found that costing system, budgeting & planning, controlling & reporting, decision making and performance evaluation influence organizational performance. The respondents agreed to all the statements categorized under various sections like 'costing system, budgeting & planning, controlling & reporting, decision making and performance evaluation. In another words, they believe that the justice in the evaluation of their work and capabilities with tied rewards or direct and indirect compensations encourage them to improve their efficiency at work. This shows good decision in investment.

Similarly, the relationship between costing system, budgeting & planning, controlling & reporting, decision making, performance evaluation) and organizational performance of Nepalese manufacturing companies. This was significantly correlated with the organizational performance. The relationship between the organizational performance and decision making was found to be strongly positively correlated followed by that with. The multiple correlation coefficient shows that percentage of the variation in organizational performance was explained by five variables viz. budgeting and planning, costing, performance evaluation, controlling and reporting, and decision making. The ANOVA for regression model shows that the relationship between the organizational performance and explanatory variables are statistically significant and this was similar to the findings of Emiaso, Egbunike and Patrik (2021) and Kellie (2018) but opposite to the findings of Campos, Gomes and Santos (2022).

Lastly, the third objectives reveal the effect of factors of management accounting (budgeting and planning, costing, performance evaluation, controlling and reporting, and

decision making) on organizational performance. It shows the regression analysis of dependent and independent variables which shows R-square that depicts 14.10 percent in organizational performance explained by variation in independent variables (budgeting and planning, costing, performance evaluation, controlling and reporting, and decision making). Decision making has positive and significant effect on organizational performance. It means, if decision making increased by 1 unit, then performance leads to increase by 0.347. Likewise, costing system, controlling and planning has negative and insignificant effect on organizational performance which indicates that if costing system, controlling and planning and performance evaluation increase by 1 unit then organizational performance leads to decrease by -0.030, -0.841 and -2.354. This study was consistent with the findings of Mathuva (2019) but contradict with the findings of Campos et al. (2022); Olalekan and Adeyinka (2013).

CHAPTER – V

SUMMARY AND CONCLUSION

This chapter highlights the key study findings and provides a concise synopsis of the full investigation. Furthermore, the main conclusions are covered in a different portion of this chapter, and then there are some implications for organizational performance and management accounting practices. The purpose of the study was to ascertain how management accounting practices affect organizational performance.

5.1 Summary

In order to gather data for the study, the researcher personally administered a standardized questionnaire to each respondent. Finding the elements affecting an organization's success in a manufacturing company was the study's goal. Regression analysis results showed that the costing system, planning and budgeting, controlling and reporting, decision-making, and performance evaluation were the most crucial elements.

Google Docs was one of the electronic methods used to get the data in addition to physical visits. After data collection, statistical tools were used to examine the data. The responses were examined using regression analysis and coefficient correlation analysis. In order to carry out the study, a questionnaire was created with questions that reflected the variables that had been discovered and measured the management accounting procedures of the specific respondents in Nepal. According to relevant literature, those variables were also employed to examine the role management accounting played in an organization's organizational performance. Convenience sampling was used in the survey, which included respondents who were employed by the chosen organizations. The purpose of the survey was to characterize the social and economic elements that affect organizational performance. The potential association between the dependent and independent variables was investigated using the 400 respondents that made up the sample. On a five-point Likert scale that goes from strongly disagree to strongly agree, respondents provided their answers.

The creation and examination of management accounting techniques were the primary foci of the current study. Future research can be expanded upon by examining more accounting procedures, each of which has a distinct impact on organizational performance

and is also a significant factor. Additionally, the study can be expanded upon to look into the effects on a system's performance.

5.2 Conclusion

Based on above result and findings of the study it concluded that costing system, budgeting & planning, controlling & reporting, decision making, performance evaluation influence manufacturing companies of Nepal. Moreover, it concluded that if Nepalese people. By providing valuable insights into cost control, performance measurement, and strategic decision-making, MAPs serve as indispensable tools for achieving organizational performance and attractiveness. However, to fully leverage the benefits, companies must overcome existing barriers and invest in capacity building and technological advancements.

The study concluded that costing system, controlling and reporting and performance evaluation has negative impact on organizational performance while decision making and budgeting and planning has positive impact on organizational performance. The decision making and performance evaluation has significant impact on organizational performance. Costing system and decision making shows insignificant positive relationship with organizational performance while controlling & reporting and performance evaluation shows insignificant negative relationship with organizational performance.

5.3 Implications

MAPs contribute significantly to better decision-making by providing relevant and timely financial and non-financial information. These practices enable managers to make informed decisions that align with the company's strategic goals, thereby improving operational efficiency and competitiveness in the market. Effective implementation of MAPs helps in identifying cost drivers and areas where efficiency can be improved. Techniques like standard costing, variance analysis, and budgeting are essential in controlling costs and enhancing resource allocation, leading to increased profitability.

To enhance the effectiveness of MAPs, it was recommended that manufacturing companies in Nepal invest in training and development programs for their accounting and

finance personnel. Additionally, fostering a culture that embraces change and innovation, along with the adoption of technology and software for management accounting, can significantly improve the adoption and impact of MAPs.

Further research was needed to explore the long-term impact of MAPs on organizational performance in different sectors and sizes of companies in Nepal. Comparative studies with companies in other countries could also provide deeper insights into best practices and innovative approaches to management accounting.

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APPENDIX - I

QUESTIONNAIRES

Dear Respected participants

I am planning to conduct a research study on Management Accounting Practices and organizational performance of manufacturing companies in Nepal. The objectives of this questionnaire is to collect information about the present practices of management accounting and organizational performance offered by manufacturing companies in Nepal. Each of your opinion will be very important to manager, researcher and academicians for strategy development and policy perspectives your answer will be kept strictly, confidential and please be assured that you will not be victimized for anything written here. The information collected is intended to be used to pursuer. I shall be grateful for your valuable inputs and active co-operation.

Use of scale 1 to 5 are available that shows your perceptions about the organizational performance, Where **1=Strongly Disagree**, **2=Disagree**, **3=Natural**, **4=Agree**, **5=Strongly Agree** Circle (O) or Tick (√) at the appropriate alternative number that comes closest to your opinion. You should rank each statement as follows.

1. Name:
2. Sex: male [] female []
3. Age: (20-30) [], (31-45) [], 46 above []
4. Educational level: Bachelor level [], postgraduate []

S.N	Budgeting and Planning	Score				
		1	2	3	4	5
1	Budgeting increase operational efficiency	1	2	3	4	5
2	Budgeting develops a sense of responsibility	1	2	3	4	5
3	Maximization of profit	1	2	3	4	5
4	Budgeting help to make plan	1	2	3	4	5
5	Budget ensure better understanding	1	2	3	4	5
	Controlling and reporting					
1	To monitor and measures employees performance	1	2	3	4	5
2	Responsibility center helps to control cost	1	2	3	4	5
3	Detects & corrects unintentional error.	1	2	3	4	5
4	Progress in achieving corrective actions.	1	2	3	4	5
5	Problems should report on time in right place	1	2	3	4	5
	Decision Making					
1	Customer profitability analysis to make customer related decision	1	2	3	4	5
2	Increase market share, productivity and profit.	1	2	3	4	5
3	Launching a new product	1	2	3	4	5
4	The wise choice made by the BOD determines management functions.	1	2	3	4	5
5	Making decisions gives management accountants reliable cost information.	1	2	3	4	5

(Source: Gnawali, 2017)

	Costing System	Score				
		1	2	3	4	5
1	Costing system help segregate total cost in fixed, variable and semi-variable	1	2	3	4	5
2	Reduce cost in areas of product improvement	1	2	3	4	5
3	Organization has used cost information	1	2	3	4	5
4	Costing system identify opportunities for product improvement	1	2	3	4	5
5	Applied standard costing technique	1	2	3	4	5
	Performance Evaluation					
1	Customer satisfaction surveys frequently.	1	2	3	4	5
2	Bench marking system has been adopted for the quality delivery of services	1	2	3	4	5
3	Performance evaluation was made based on RI, ROI, ROA, and ROE.	1	2	3	4	5
4	Performance evaluation was made based an employee's attitude or behavior	1	2	3	4	5

5	An effective measurement and reporting process can improve efficiency in productivity	1	2	3	4	5
	Organizational Performance					
1	MAPs help to increase product service quality.	1	2	3	4	5
2	MAPs help to increase Return on Investment	1	2	3	4	5
3	MAPs help to development of new product.	1	2	3	4	5
4	Organizational performance was based on customer satisfaction level.	1	2	3	4	5
5	MAPs help to increase market share /sales margin.	1	2	3	4	5

(Source: Gnawali, 2017)

Thank You for your Participation

Management Accounting Practices and Organizatio...

By: Sagar Gautam

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ABSTRACT Management accounting gives businesses a significant chance to compete in the market by giving clients high-quality goods and services.

The purpose of this study was to investigate how **management accounting** techniques affect the **performance of**

manufacturing firms, particularly those operating in Nepal. With a descriptive methodology, the study focused on a population of 1,800 employees of Dabur Nepal, Bottlers Nepal and Unilever Nepal., involving staff from top, middle, and lower management levels. Convenience sampling was used to ensure an unbiased selection, crucial for drawing accurate conclusions. A total of 400 questionnaires were distributed for primary data collection, which was conducted through a questionnaire. The study found that among manufacturing companies in Nepal, the most commonly used management accounting practice is information for decision-making. Budgeting, regulating, costing, performance assessment, and decision-making come next, in that order. The study suggests that firms should increase their awareness of the significance of information for decision-making practices, given its prevalence as the top management accounting practice in Nepalese manufacturing companies. Key Words: Accounting, Budgeting, Performance, Costing, Controlling, Decision making CHAPTER- I INTRODUCTION 1.1 Background of the Study The act of identifying, recording, categorizing, summarizing, analyzing, interpreting, and communicating a financial transaction in terms of its monetary value was known as accounting (Bhatt et al., 2023). Bookkeeping was both a science and a craftsmanship. Furthermore, very much like any remaining surges of science, even in bookkeeping certain principles are followed. Accounting was also based on a few presumptions. These concepts and principles are referred to as accounting concepts or principles. The primary goals of accounting were to determine the outcome and financial situation of a given period's business activities (Campos, et al, 2022.). However, as business firms and competition have increased, accounting's scope has expanded in recent years. Bookkeeping was additionally essential to address the issue of gatherings like the public authority, lenders, providers, clients, and so on (Mitchell, 2015). Management accounting, also known as managerial accounting, was the process of providing managers with financial data and resources to help them make decisions. The only thing that distinguishes management accounting from financial accounting was the internal term used by the organization. Financial reports like the invoice and the financial balance statement are shared with the company's