

**MANAGEMENT ACCOUNTING PRACTICES AND  
ORGANIZATIONAL PERFORMANCE OF MANUFACTURING  
FIRMS IN NEPAL**

**A Thesis**

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## **CERTIFICATION OF AUTHORSHIP**

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirement for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the reference section of the thesis.

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## **RECOMMENDATION LETTER**

It is certified that thesis entitled Management accounting practices and organizational performance of manufacturing firms in Nepal by Puja Bist is an original piece of research work carried out the candidate under my supervision. Literary presentation is satisfactory and the thesis is in a form suitable for publication. Work evinces the capacity of the candidate for critical examination and independent judgement. Candidate has put in at least 60 days after registration the proposal. The thesis is forwarded for examination.

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## **APPROVAL-SHEET**

We, the undersigned, have examined the thesis entitled “Management Accounting Practices and Organizational Performance of Manufacturing Firms in Nepal (Herbs production and processing Company, Bottlers Nepal Ltd, Dabur Nepal Pvt. Ltd and Surya Nepal Pvt Ltd)” presented by Puja Bist a candidate for the degree of Master of Business Studies (MBS) and conducted the viva voce examination of the candidate. We hereby certify that the thesis is worthy of acceptance.

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Puja Bist  
Researcher

## **ABSTRACT**

Management accounting offers a best opportunity for firms to compete in the market in order to offer best quality products and services at affordable prices to consumers. The purpose of this study was to investigate the effects of management accounting practices on organizational performance of manufacturing firms with a special focus on manufacturing firms in Nepal.

The research design employed in this study was descriptive in nature. For the purpose of this study, the target population consisted of 220 firms where the top, middle or low level management staffs were involved. The convenience sampling was representative of the population and offers an unbiased selection which was important in drawing conclusions from the results of the study. The researcher issued a total of 100 questionnaires. Primary data collection was via a questionnaire as this was an efficient and convenient way of gathering the data within the resources and time constraints. This study adopted a descriptive research design. The target population for this study was the 220 manufacturing companies in Nepal. This study involved 4 manufacturing companies. The study collected primary data from the respondents. The data collected was quantitative. Data Analysis was done using IBM Statistical Package for Social Sciences (SPSS 25.0), allowing the researcher to present the information in form of tables and figures.

The study concludes that information for decision making practices is the most highly used management accounting practice amongst the manufacturing companies in Nepal followed by budgeting, performance evaluation, costing, controlling and decision making respectively. This study recommends the creation and enhancement of awareness among firms of the importance of Information for decision making practices as this is the most highly used management accounting practice amongst the manufacturing companies in Nepal.

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## **ABBREVIATIONS**

ABC	:	Activity Based Costing
CVP	:	Cost Volume Profit
FIFO	:	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
SMA	:	Strategic Management Accounting
SMEs	:	Small and medium enterprises
SPSS	:	Statistical package for social science
VBM	:	Value Based Management
ZBB	:	Zero Based Budgeting