

MANAGEMENT ACCOUNTING GOVERNANCE AND FIRM VALUE OF TEXTILE MANUFACTURING BUSINESSES IN THAILAND

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ABSTRACT

Management accounting and governance are essential to business accomplishment. This study integrates governance into management accounting, namely, management accounting governance, which is the optimum of management accounting practice. The main objective of this study is investigating the effect of management accounting governance on five dimensions: cost calculation accuracy, cost allocation justice, budgetary formation transparency, performance evaluation disclosure, and social and environmental concern presentation on firm value through information reliability, organizational productivity, resource utilization, and business competitiveness. A questionnaire was used to collect the data from 202 textile manufacturing firms in Thailand. The results show that cost calculation accuracy, cost allocation justice, performance evaluation disclosure, and social and environmental concern presentation significant positively relate to information reliability, organization productivity, resource utilization and business competitiveness. In addition, social and environmental concern presentation positively impact firm value through business competitiveness. Also, executive leadership, accounting learning, employee competency, and accounting system efficiency have significant association with management accounting governance. This study contributes to managerial performance by providing the knowledge that firm value can be increased by management accounting governance. Because the sample is only chosen from one industry such as textile manufacturing, the generalizability may need to be confirmed. Future research should cover a broader industrial manufacturing base in order to increase the external reliability.

Keywords: *Management Accounting Governance, Cost Calculation Accuracy, Cost Allocation Justice, Budgetary Formation Transparency, Performance Evaluation Disclosure, Social and Environmental Concern Presentation, Information Reliability, Organizational Productivity, Resource Utilization, Business Competitiveness, Firm Value, Executive Leadership, Accounting Learning, Employee Competency, Competitive Intensity, Accounting System Efficiency, Organizational Experience*