

# CONTINGENCY FACTORS OF MANAGEMENT ACCOUNTING PRACTICES IN THAILAND: A SELECTION APPROACH

Sirinuch Nimtrakoon\*

University of the Thai Chamber of Commerce, Thailand

Michael E. Tayles

Hull University Business School, UK

**Abstract:** This paper aims to investigate the certain types of management accounting practices (MAPs) that are appropriate to the specific characteristics of Thai companies. The study uses survey method to obtain 135 responses from accounting managers of both manufacturing and non-manufacturing industries listed on Stock Exchange of Thailand (SET). Perceived environmental uncertainty (PEU), competitive strategy, and size were found to have impact on MAPs. Firms operating in higher PEU obtain higher benefit from both contemporary and traditional MAPs. In line with expectations, firms pursuing prospector strategies perceive higher benefit from contemporary MAPs than those pursuing defender strategies. No relationship has been found between competitive strategy and traditional MAPs. Larger firms also obtain higher benefit from both contemporary and traditional MAPs than smaller firms. The findings confirm the premise that firms' characteristics reflected in exogenous, strategy, and endogenous variables have influence on the design of management accounting systems in organizations. In particular, prospector firms and those facing high levels of environmental uncertainty should consider increased use of contemporary MAPs. Academics and practitioners should note the continuing benefit perceived from traditional MAPs, a feature confirmed in many pieces of international research.

**Keywords:** Management accounting practices (MAPs), perceived environmental uncertainty (PEU), competitive strategy, strategic mission.

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\* Email: sirinuch\_nim@utcc.ac.th