FINANCIAL RESULTS VS. IMPLEMENTATION OF ACCOUNTING PRACTICES

Arjeta Hallunovi *

* Finance Accounting Department, Aleksandër Moisiu University of Durrës, Durrës, Albania
Contact details: Finance Accounting Department, Aleksandër Moisiu University of Durrës, Spitallë, Durrës 2001, Albania

OPEN ACCESS

How to cite this paper: Hallunovi, A. (2023). Financial results vs. implementation of accounting practices. *Journal of Governance & Regulation, 12*(2), 19–26. https://doi.org/10.22495/jgrv12i2art2

ISSN Online: 2306-6784
ISSN Print: 2220-9352

Received: 11.05.2022
Accepted: 10.04.2023

JEL Classification: G2, M41, M42
DOI: 10.22495/jgrv12i2art2

Abstract

It is worth mentioning that the proper implementation of accounting practices provides a good opportunity for firms to compete in the market in order to offer qualitative products and services, which have affordable prices for consumers (Nugroho et al., 2022). The main purpose of this study is to overview the impacts of the implementation of accounting practices in some manufacturing companies in Albania. To carry out this study, questionnaires distributed to manufacturing companies in the cities of Durrës and Tirana were used. It was noticed from the study that the most important elements of the implementation practices focus on reducing costs and increasing profit. This applies to any firm, but the manufacturing companies surveyed in Albania are focused on the short-term spectrum and try to reduce any costs that do not bring immediate benefits. During the analysis, it was seen that the firms had implemented practices with reduced costs, such as their division into fixed, variable and additional costs. None of the manufacturing companies had used the regression method to have a forecast for the future and the activity-based costing (ABC) method was only known theoretically. This study aims to contribute to the literature and also the results have value for developing countries like Albania.

Keywords: Accounting Practice, Accounting Policies, Financial Performance, Manufacturing Firms

Authors' individual contribution: The Author is responsible for all the contributions to the paper according to CRediT (Contributor Roles Taxonomy) standards.

Declaration of conflicting interests: The Author declares that there is no conflict of interest.

1. INTRODUCTION

The cost-based environment is a very difficult process for most accountants since their analysis is based mainly on accounting rules and standards. Therefore, the success of this process lies in the training of a highly specialized department in a cost-effective manner (Almagtome et al., 2020a). Since there is no centralized source of information to consult this approach, accountants in order to create the possibility of possible improvements and their implementation in practice in the right way, try to improve their ideas by attending seminars or reading relevant books of accounting (Granlund & Lukka, 2017). The purpose of this study is to convey valuable information through its results in the field of accounting and economics as a whole in Albania, both theoretically and analytically. If the management of any economic entity receives complete, accurate and fast information, this directly affects the economic system to function normally. Accounting plays a special role in the range of information used by the management of an economic entity (Carreta et al., 2010). The management of the economic entity receives fast, accurate, rigorously documented and written information from accounting, and this happens continuously and without interruption

(Akpan et al., 2021). Through it, the management of the economic entity receives complete information about the financial situation, that is, about the factors that affect the achievements of the activity or its failures (Robu, 2015). Therefore, it is said that the information obtained from accounting provides the management of the entity with the "eyes and ears" needed for a more efficient direction of economic activity, which is the starting point of its financial direction (Rainero et al., 2020). The accounting department in every company plays the main role in the implementation of successful and lower-cost practices. The awareness of these companies in Albania about the positive effects that the implementation of accounting practices brings is a great achievement for the manufacturing companies, but also for the economy as a whole. This process provides a set of certain services to the rest of society, without generating income directly, and on the other hand, it must do this at the lowest possible cost. The accounting department, as a key link, must simultaneously carry out the transaction process, write reports, create new processes and also analyze the existing ones, but also at the same time focus on reducing the total costs of the business (Drogalas et al., 2018).

According to studies conducted by Augusto et al. (2014), there are two main approaches to best practices, each of which requires different ways of implementation. In this framework, the first approach of accounting practice will be defined as *practice with continuous improvement*. This approach involves a small modification of an existing procedure or the replacement of a procedure that has minimal impact on the company. Where this means that the increase in the level of efficiency of the subject activity that comes as a result of the contribution from a certain accounting practice, is considered the best. At the same time, this approach is easier to implement since there is little resistance from the company. An example of this approach is the use of a stamp instead of signing checks, and in this way their control is simpler, saves time and helps to avoid complaints during its use. However, this type of practice affects accounting when used in a large amount by the organization because the impacts on it will be minimal if calculated separately (Alsharari et al., 2020). The second type of best approach involves a *significant degree of re-engineering*, which means that a complete reorganization or replacement of an existing function is required. This affects the hiring, firing of employees, or the performance of previous jobs in different ways, therefore, bringing a level of massive change. The level of efficiency improvement may be several times greater than the old method that was replaced. However, the level of risk should be compared to the reward, because this type of practice may encounter great resistance and consequently may fail. An example of this type of practice is eliminating the purchasing department and replacing it with a staff that only does approval for suppliers just by analyzing the relevant documents.

As part of this implementation, there is also the elimination of many jobs, bringing innovation. Only such an implementation would bring about large-scale increases in accounting if it were to be successful. Thus, given the differences between the two practices before implementation, a plan for their implementation should be drafted. Given the difficulties of implementing a reengineering project, it may even be necessary to delay implementation or distribute the full project in several series, developing the main project piece by piece until completion, in order to allow employees to adapt to changes from reengineering practice (Chandrasekar & Kumar, 2016).

The structure of the paper is as follows. Section 2 reviews the relevant literature about accounting practices, their implementation and the importance of management for their most efficient implementation. There are various factors that affect their implementation, and not always the good practices implemented in a company are recommended for another one. Some accounting practices are based on quick, inexpensive improvements that are made continuously, while some other practices are innovative which take time and have high costs (Rainero et al., 2020). Section 3 describes the research methodology used for the empirical research in this study, based on distributed questionnaires. In order to have positive results from the implementation of these accounting practices, their management takes great importance. This would lead to cost reduction and improved results. Section 4 describes the results of the analyses in order to give some answers to the research question raised in this study, namely: *If the implementation of accounting practices in Albania has an effect on financial performance?* In Section 5 there is a discussion of the important question raised during the study: "*Why do best accounting practices fail?*" And in Section 6, some conclusions are highlighted, and also the limitation of the study, that can serve as a start point for future studies, are mentioned.

2. LITERATURE REVIEW

According to the study of Rasyid et al. (2017), the accounting practice used in a company refers to the method by which its accounting policies are implemented and respected on a routine basis. Accounting practices are defined as a variety of methods for productive businesses that serve as the main support in infrastructure and essential processes (El Kaddouri, 2022). It is certain that one of the most important factors in the company is the effective use of the financial and managerial accounting system, which directly affects the company's performance (Cooray et al., 2020). According to the study by Hameedi et al. (2021), since companies around the world do not follow the same principles in accounting and financial reporting, it is almost impossible to make fair comparisons. However, it is more important to emphasize that financial reporting aims to provide useful financial information for the company and the interested parties as a whole. According to Makhaiel and Sherer (2018), it was observed that accounting practices should not only focus on their implementation, but simultaneously also on how they are implemented. In this framework, management accounting practices include budgeting, performance evaluation, decision-making information, strategic analysis and many other elements (Almagtome et al., 2020b). But, on the other hand, these approaches do not provide an accurate method of recording expenses in order to make the best possible decisions, thus bringing a limitation to these cost systems (Almagtome et al., 2020a). According to Gerwanski et al. (2019), if performance data is useful in making investment decisions, it can be said that the importance of reporting financial performance can also be clearly measured. Information on financial performance is considered to be relevant to value if it has a direct impact on consumer prices (Abed et al., 2020; Santos et al., 2018). Many different researchers through the implementation of International Financial Reporting Standards (IFRS) have tried to find more about the relationship between accounting practices and other indicators of financial performance in different countries (Bimo et al., 2019). According to Yao et al. (2020), it was concluded that cost accounting is affected by declining profitability, rising costs, competition and economic crisis. During the studies, it was observed that companies continue to use traditional accounting practices while new accounting practices such as strategic planning are perceived as less important (Arthur et al., 2019). They found that the most important accounting practice is cost-benefit analysis.

It has been estimated that financial reporting allows shareholders and the public to evaluate the performance of management, having an impact on its behavior, being that in itself financial reporting is an important element of monitoring in market-based of companies (Almagtome et al., 2020a). According to empirical analysis, it has been argued that change comes quickly in the present time and this brings the need to create and properly implement accounting practices (Rasyid et al., 2017). According to Nugroho et al. (2022), it has been noticed that some practices such as the use of the regression method, a method that affects decision-making, have not been favored by most businesses. According to the study of Akpanuko and Umoren (2018), basically, the practice of accounting must be very stable, as it is related to a large number of business transactions, which must be treated in exactly the same way to produce reliable financial statements. The analysis of Dewi et al. (2019) has shown that the perceived importance of cost accounting is affected by declining profitability, rising costs, competition and economic crisis. Afreen (2020) has shown that accounting practices have not changed in recent years in developing countries, while in developed countries there have been changes in the implementation of accounting practices, such as the United Kingdom (Liu et al., 2011; Ejiogu et al., 2019).

According to Tabash (2019), during the last decade, different researchers have paid attention to the phenomenon of creative accounting, mainly its importance in the financial sector and its implications for the quality of financial reporting. In the study of Ahmed et al. (2020), several procedures have recently been implemented by researchers and practitioners to detect any manipulation in financial reporting, despite the fact that the practice of creative accounting is still widespread, bringing a weak financial reporting quality.

3. RESEARCH METHODOLOGY

According to Robu (2015), the main tool for collecting key data in a study is the questionnaire. The paper uses qualitative and quantitative methods to explore better the importance of the implementation of accounting practices. In this study, the results obtained from the distributed questionnaires (quantitative research) were used, as well as some interviews (qualitative research) were conducted with the economists of the companies, in order to answer the research question raised. The study uses a 5-point Likert scale analysis, which according to Rainero et al. (2020) is frequently used because respondents can easily answer questions. So, primary data were collected based on questionnaires from respondents and interviews conducted while completing the questionnaires. Secondary data are collected from financial reports, texts, guides, magazines, etc. The questionnaire included questions that allow the collection of quantitative and qualitative data. 165 questionnaires were distributed electronically and in physical form, and 134 responses were received. The answers about the implementation of accounting practices and also the value of their management in financial results have been provided by respondents, i.e., the economists of the respective entities.

For presenting an overview of the impact of the implementation of accounting practices in manufacturing companies in Albania, a questionnaire with questions and interviews was formulated. In a near future, this study can be expanded by creating a regression model, where the accounting practices are explained by means of different variables.

4. RESULTS

From the answers given for the implementation of accounting policies, it was concluded that 47.3% of the respondents do not have a written program that they constantly update. Until 2016, no importance was given to updating and writing accounting policies and procedures. Based on short interviews with surveyed economists, this element was explained as a waste of time for the subject and not an element that should have been better analyzed. 52.37% think that updating these accounting procedures and policies will directly affect the financial performance of manufacturing entities, where this is based on the size of the entity. Most big businesses pay more attention to this fact, while small businesses think it is an extra cost. One of the most important practices of any business is the reconciliation of the large book with the auxiliary book that was carried out by almost all businesses (92.6%). Economists from the relevant entities said that this is one of the steps that is never forgotten to be implemented. Drawing a parallel between applying a new accounting practice or improving the existing one, it turned out that the method that the manufacturing entities followed was the second one. Although businesses were considered large they preferred not to take risks by using a completely new method which would bring great benefits if it worked but also great harm if it failed. All responses received a score above 3 (according to the 5-point Likert scale range), which means that 100% of respondents use this method more.

On the other hand, large businesses, which have more room to use the method of implementing a new practice, apply it less in practice but think of it as an option for the future. 72.6% do not apply completely new practices. Based on the results of the questionnaires, manufacturing entities divide their costs into variable costs, fixed costs and additional costs, 91.4%, have stated that they use these cost allocations almost always. The cost-based activity was a method that was unknown and was hardly used in practice. Theoretically, it has a very important role but does not maintain this importance in practice for manufacturing entities in Albania, 18.2% of respondents answered that they never use this method and 80% of respondents answered that they almost never use it.

Maximum cost analysis is an important method that should always be used, but the results show that 37.2% do not apply it at all, 2.8% apply it sometimes, 41.4% apply it very often and 18.6% always apply it. In this situation there is a need to understand where this change comes from, it is important to determine if the type of sector and the number of employees help to analyze the subject size factor. The use of the regression method to make cost forecasts is not applied by manufacturing entities in Albania, this factor is not affected by the fact that the entities are large with a significant number of employees or by the type of manufacturing sector. It is culture and practice that never borrowed it as a method of analysis. Productivity analysis of products and consumers is performed very often by 12.3%, often by 50.1% of respondents, sometimes by 1.8%, rarely by 31.4% of manufacturing entities and never by 4.4% of them. The theory often mentions the valuation of investments based on discounted cash flows, but the study concludes that 87.4% of manufacturing businesses answered that they do not use this type of valuation due to the impossibility of using it. The results of this study show that 41.8% of manufacturing businesses do not create a budget for planning costs. Albania is included in the list of developing countries and this automatically brings the task to analyze factors of economic growth and develop in the implementation of accounting practices. Theoretically, the adoption of accounting standards brings a significant improvement in the implementation of accounting practices. But based on the analysis of manufacturing firms, it turned out that 40.5% of them agree that accounting standards play an essential role in accounting practices. Continuous implementation of an organization's accounting policies, as distinct from accounting theory constitute success for companies, especially manufacturing ones.

Accounting policies consider the principles, rules, procedures chosen, and ongoing implementation, from the management of the organization (accounting unit) to the preparation and reporting of the financial statements. Accounting policies are the principles, bases, conventions, rules and practices implemented by an economic entity, which help in the preparation and presentation of financial statements, therefore, in this way the whole organization works together to accept and support the best accounting practices. But to successfully implement an accounting practice, sufficient budgetary resources are required for each accounting practice, a management support team, as well as a reward system for employees.

5. DISCUSSION

The main question that is raised during the analysis of the paper is: "*Why do best accounting practices fail?*" In the intent to find the reasons why implementing a good accounting practice may not succeed, it will be shown below that there are various reasons for failure which are parts of small groups. Insufficient budgeting, improperly calculated time, lack of funds or staff are part of the first group that is related to the lack of planning. Programming staff or other departments that will be affected by the changes are part of the lack of cooperation from other entities. The last but not least reason is the effort to prepare the entity for the changes, so the entity must first be fully informed of the changes and the consequences that will take place when the changes are welcomed because the tendency especially of employees is not to adapt to changes. Especially for those people who are most affected by the change, this problem involves a fundamental lack of communication. Performing this action on an ongoing basis will encourage a revolt (Amaoko, 2013), otherwise, this may be tolerated, when a single implementation is completed without informing all employees affected by the change. The various causes of failure are as follows:

Changes in relevant software. A very common cause of failure is that implementing an accounting practice requires adapting the program in order to successfully apply the practice. These changes are made by the software package vendors, but with the development of technology the software package requires updates, and once the updates are applied all the initial changes that have been made to suit the specific practice should be included. Thus, changes to software packages are destined to fail if this fact is not taken into account.

Specific programming characteristics of the implementation of an accounting practice. A major cause of implementation failure is the fact that during implementation in reality, where everything that has been calculated may not be accurate, the qualities and characteristics for the implementation of the practice may not be properly specified, there may be higher costs than expected, is not implemented in time, does not give reliability to the results or all these elements together.

Many failures are related to the latest technology developments. Entities try to be the first in the implementation of the latest technologies but this decision is very risky because if it is successful the benefits will be very large but the probability of it happening is small, so it is advisable by experts in the field to observe other companies initially then implement best practices with the latest technology developments. It is also helpful to interview other people who have had experience in the full implementation of accounting practice to get advice on proper implementation and get positive results. Finally, we should always interview any employee who may have had previous experience with accounting practice, but if the results are not palatable it would be a good idea to have help from outside (Alamhelp et al., 2020).

Inadequate preparation of the entity. It should be noted that communication is the key to a successful implementation of accounting practices. Keeping information reserved does not allow you to understand what is really going on, this will encourage the creation of inaccurate information about a project, building resistance to it and consequently reducing the level of collaboration with individuals. It is very important to emphasize that the communication of information should not be limited to the provision of information only to the company management but should be open to all employees who may be affected by this change.

Staff refusal to cooperate. A major cause of failure is the refusal of employees to cooperate in carrying out the accounting practice, in other cases the employee negatively influences the knowledge, so this practice fails. These types of people have special interests in maintaining the old system. All these rates should be solved first by communicating the necessary information (especially when the employee has a key position), in case this method has no effect, the employee should be transferred to a position where he/she can not influence the project. If none of these actions are successful, the project will surely fail.

Lack of checkpoints. It is important not to overlook the possibility of regular review meetings as well as other meetings to review the situation when some of the objectives have been achieved, as one of the best ways to keep control over any project. These meetings serve to see how a project is progressing, discuss any potential problems, or serve to anticipate and determine the best way to avoid current problems. According to Fang et al. (2015), the non-realization of control meetings does not leave room for the identification of unexpected problems, and it can also affect the deterioration of existing problems.

Lack of funds. If a project has a significant cost overrun that exceeds the initial funding request or if the implementation has begun without a fixed budget being approved for it, then the project may be canceled. Both of these cases lead to project failure. The best way for these cases is to create an additional budget, which will be used only after the need for these additional costs has been identified.

Lack of planning. Planning is an important aspect of any project. There should be a plan, in order to determine the cost, the number of employees or time required, and any formal review of the inherent risks of the project. The project may encounter problems and obstacles along the way, making its implementation impossible without a well-defined planning process.

Lack of post-implementation review. According to Augusto et al. (2014), the lack of post-implementation project review can lead to the failure of subsequent projects, although this is not a criterion for the successful implementation of any current project. If it is noticed that the completed project was not carried out in support of the initial planning, this may lead to the conclusion that for future projects it would be better to use another person in order to increase the company's chances of success.

Lack of success in previous attempts. If a manager builds a bad reputation on the unsuccessful completion of project best practices, it will become increasingly difficult to successfully complete new projects. The problem is that no one will believe that a new endeavor will succeed and so there will be little commitment to make it. Also, based on the above situation everyone will be less and less willing to allocate funds to a manager who does not have a good reputation in successfully achieving the result. The best way to solve this situation is to hire another manager for an implementation project, one with a proven track record of success.

Lack of testing. A major problem for implementing large and complex projects is that they are rushing towards production and implementing certain practices regardless of whether they may touch a critical point of the business. There is nothing more dangerous than installing a very good system in a critical area of the company, this can lead to total failure only because the testing step was skipped.

Lack of senior management support. If a project requires a large amount of funding or the collaboration of multiple departments, it is important to have the full support of the senior management team. Unless there is a clearly defined sponsor, management has the opportunity to lead the project to elimination before it is fully completed.

Lots of changes in a short time. An entity will oppose multiple changes if made in a very short time. The changes are very worrying especially when these changes will affect employees, in particular, when they will be required to change almost the entire usual routine. This can result in direct employee resistance to further change, sabotage of new projects, slowing down work, or (most likely) dismissing the most dissatisfied workers. This problem can be solved through planning, analysis and finding errors in the project. The best way to avoid this delay when many changes are made without slowing down overall implementation is to move the project to the accounting department so that no functional (operational) area makes decisions about it.

The main reason for listing all these causes of failure is not to discourage stakeholders but to raise awareness and help implement accounting practices in the most effective way. This allows the preparation and avoidance of all obstacles that stand in the way of the final success of the implementation of accounting practice. The use of a new evaluation method for the implementation of accounting practices, which implies a rapid results initiative (RRI), is an adequate innovation for solving many of the discussed problems. RRI itself means a mini-project that aims to create results similar to a large-scale best accounting practice project, but which is implemented in a more limited area and within a very short period of time. By using RRI, the project team can identify problems faster than if analysis or even continuous control of the real project routine were done. RRI is designed to accurately detect pitfalls that can cause major problems in the implementation of accounting practices. Another way to avoid the failure of accounting practices is to spend a considerable amount of time examining logical deficiencies in a proposed practice. Given the person proposing an accounting practice who will most likely be "blind" to its potential weaknesses, it is best to have another person consider the proposal for these deficiencies; and better yet, to be an expert, i.e., a third person who will consider the proposal for the problems (Anderson & Young, 1999).

6. CONCLUSION

Since the world is always changing, management accounting practices help the organization to survive and be competitive since it motivates behavior, achieves a competitive advantage, as well as supports the creation of cultural values necessary to achieve the strategic objectives of a company. Management of accounting practices focuses mainly on the internal needs of the entity itself. It is oriented towards performance appraisal and the development of futures appraisal, unlike traditional accounting which focuses on historical data related to legal issues, investments, lending, taxation, adjustment, building sound foundations and reporting accounting information for internal and external purposes as a result of the need to comply with generally accepted accounting principles. Flexibility is an essential feature of accounting practices that requires considerable attention because it is not clearly defined which practice will bring positive results and which will not.

In order to remain competitive in today's global marketplace, businesses must continually improve. Good management accounting practices help organizations to continually improve. This is the main reason for the existence of so many methods and techniques which help in adapting accounting practices to the respective entities. The study was based on the application of accounting practices to manufacturing businesses, and the effects of each accounting practice are clearly seen in the financial performance of the business itself. How well a firm can use its assets to generate income is referred to as financial performance. This concept can be used to compare similar companies across the industry, and to obtain information on the financial health of the company over a period of time. Employees are a key point, which is highlighted in the process of evaluating financial performance, because they can help increase the value of the company by accelerating the inflow of cash flows as well as increasing the size of future cash flows, thus making the cash flows less dangerous or safer.

Before implementing accounting practices, it is useful to examine the existing environment to see if there are positive opportunities for successful implementation. All along, the objective of every company is to find suitable environments where the best accounting practices can be implemented and have a chance to be successful. Companies regularly compare their performance levels with the performance of other companies, where mainly companies with extremely high performance levels are the measuring unit. Therefore, when significant problems are identified, then this can help the company understand that continuous change, not re-engineering, is necessary to survive in the market.

If management has "change" as its main orientation, some managers have a genetic predisposition towards change. And of course, if the accounting department has such a person in charge, it will surely lead to great changes. No matter how good such a leader is, if he/she implements too many projects with insufficient preparation, it will result in incorrect actions and will take time to resolve.

The weak financial results in the company show that there is a big loss or a tendency in this direction, therefore, at this point, the management should deal with the review and finding the appropriate accounting practices. But often the intervention of the management to improve many projects also leads to the lack of sufficient resources, otherwise, the implementation of any accounting practice in this situation would be very difficult.

In the study, there are also some limitations important to be mentioned. Accounting practices are directly related to the adaptation of international standards. During the analysis, not all companies in the economy were considered, but the focus of the study was on the accounting practices of manufacturing firms in Durrës/Tirana. In the future, this work will be developed taking into consideration those companies that operate in other sectors and other cities in order to determine if they give due importance to the implementation of accounting practices, as well as how much they are applied in practice.

In order to make a comparative analysis between countries in terms of the implementation and management of accounting practices as well as the effect they have on financial performance, it would be necessary to make such an analysis in countries similar to Albania.

REFERENCES

1. Abed, I. A., Hussin, N., & Ali, M. A. (2020). Piloting the role of corporate governance and creative accounting in financial reporting quality. *Technology Reports of Kansai University, 62*(9), 5509–5514. https://www.researchgate.net/profile/Mostafa-A-Ali/publication/344417231_Piloting_the_Role_of_Corporate_Governance_and_Creative_Accounting_in_Financial_Reporting_Quality/links/5fc7ac32a6fdcc697bd36dd0/Piloting-the-Role-of-Corporate-Governance-and-Creative-Accounting-in-Financial-Reporting-Quality.pdf
2. Afreen, M. (2020). Construction of an industry cycle indicator for profitability prediction analysis of aggregate firms in Bangladesh. *International Journal of Social Sciences and Economic Review*, *2*(4), 9–18. https://doi.org/10.36923/ijsser.v2i4.76
3. Ahmed, H., Hussain, S., & Masroor, N. (2020). Transparency, CSR disclosure and the financial performance of firms: A case of Pakistan Stock Exchange. *Karachi University Business Research Journal*, *1*, 1–10. https://doi.org/10.46568/kubrj.v1i1.5

4. Akpan, M., Dhillon, G., & Trottier, K. (2021). Cluster analysis of share price: How firm characteristics relate to accounting metrics. *Risk Governance and Control: Financial Markets & Institutions, 11*(4), 8–25. https://doi.org/10.22495/rgcv11i4p1
5. Akpanuko, E. E., & Umoren, N. J. (2018). The influence of creative accounting on the credibility of accounting reports. *Journal of Financial Reporting and Accounting*, *16*(2), 292–310. https://doi.org/10.1108/JFRA-08-2016-0064
6. Alam, M. N., Alam, M. S., & Chavali, K. (2020). Stock market response during COVID-19 lockdown period in India: An event study. *The Journal of Asian Finance, Economics and Business*, *7*(7), 131–137. https://doi.org/10.13106/jafeb.2020.vol7.no7.131
7. Almagtome, A. H., Al-Yasiri, A. J., Ali, R. S., Kadhim, H. L., & Bekheet, H. N. (2020b). Circular economy initiatives through energy accounting and sustainable energy performance under integrated reporting framework. *International Journal of Mathematical, Engineering and Management Sciences*, *5*(6), 1032–1045. https://doi.org/10.33889/IJMEMS.2020.5.6.079
8. Almagtome, A., Khaghaany, M., & Önce, S. (2020a). Corporate governance quality, stakeholders' pressure, and sustainable development: An integrated approach. *International Journal of Mathematical, Engineering and Management Sciences, 5*(6), 1077–1090. https://doi.org/10.33889/IJMEMS.2020.5.6.082
9. Alsharari, N. M., Al-Shboul, M., & Alteneiji, S. (2020). Implementation of cloud ERP in the SME: Evidence from UAE. *Journal of Small Business and Enterprise Development*, *27*(2), 299–327. https://doi.org/10.1108/JSBED-01-2019-0007
10. Amaoko, G. (2013). Accounting practices of SMEs: A case study of Kumasi Metropolis in Ghana. *International Journal of Business and Management, 8*(24), 73–83. https://doi.org/10.5539/ijbm.v8n24p73
11. Anderson, S. W., & Young, S. M. (1999). The impact of contextual and process factors on the evaluation of activity-based costing systems. *Accounting, Organizations and Society*, *24*(7), 525–559. https://doi.org/10.1016/S0361-3682(99)00018-5
12. Arthur, N., Chen, H., & Tang, Q. (2019). Corporate ownership concentration and financial reporting quality: International evidence. *Journal of Financial Reporting and Accounting, 17*(1), 104–132. https://doi.org/10.1108/JFRA-07-2017-0051
13. Arunruangsirilert, T., & Chonglerttham, S. (2017). Effect of corporate governance characteristics on strategic management accounting in Thailand. *Asian Review of Accounting*, *25*(1), 85–105. https://doi.org/10.1108/ARA-11-2015-0107
14. Augusto, M. G., Lisboa, J. V., & Yasin, M. M. (2014). Organizational performance and innovation in the context of a total quality management philosophy: An empirical investigation. *Total Quality Management & Business Excellence*, *25*(9–10), 1141–1155. https://doi.org/10.1080/14783363.2014.886372
15. Bimo, I. D., Siregar, S. V., Hermawan, A. A., & Wardhani, R. (2019). Internal control over financial reporting, organizational complexity, and financial reporting quality. *International Journal of Economics and Management, 13*(2), 331–342. http://www.ijem.upm.edu.my/vol13no2/5)%20Internal%20Control%20Over%20Financial%20Reporting.pdf
16. Carreta, A., Farina, V., & Schwizer, P. (2010). Assessing effectiveness and compliance of banking boards. *Journal of Financial Regulation and Compliance, 18*(4), 356–369. https://doi.org/10.1108/13581981011093677
17. Chandrasekar, V., & Kumar, D. N. S. (2016). Impact of IFRS adoption on financial decisions case study of Indian information technology industry: Wipro Ltd. *Journal of Financial Management & Analysis, 29*(2), 10–19.
18. Cooray, T., Gunarathne, A. D. N., & Senaratne, S. (2020). Does corporate governance affect the quality of integrated reporting? *Sustainability*, *12*(10), Article 4262. https://doi.org/10.3390/su12104262
19. Costantini, A., & Zanin, F. (2017). The effect of perceived environmental uncertainty on the use and perceived usefulness of strategic management accounting: Some empirical evidence. *Managing Global Transitions*, *15*(4), 379–398. https://doi.org/10.26493/1854-6935.15.379-398
20. Dewi, N. F., Azam, S. M. F., & Yusoff, S. K. M. (2019). Factors influencing the information quality of local government financial statement and financial accountability. *Management Science Letters*, *9*(9), 1373–1384. https://doi.org/10.5267/j.msl.2019.5.013
21. Drogalas, G., Anagnostopoulou, E., Koutoupis, A. G., & Pazarskis, M. (2018). Relationship between internal audit factors and corporate governance. *Journal of Governance & Regulation, 7*(3), 13–17. https://doi.org/10.22495/jgr_v7_i3_p2
22. Ejiogu, A. Ejiogu, C., & Ambituuni, A. (2019). The dark side of transparency: Does the Nigeria extractive industries transparency initiative help or hinder accountability and corruption control? *British Accounting Review*, *51*(5), Article 100811. https://doi.org/10.1016/j.bar.2018.10.004
23. El Kaddouri, H. (2022). From the diffusion to the appropriation of cost accounting in a French university: Between institutional pressures and actors' game [Special issue]. *Corporate Governance and Organizational Behavior Review, 6*(2), 182–192. https://doi.org/10.22495/cgobrv6i2sip2
24. Fang, V. W., Maffett, M., & Zhang, B. (2015). Foreign institutional ownership and the global convergence of financial reporting practices. *Journal of Accounting Research, 53*(3), 593–631. https://doi.org/10.1111/1475-679X.12076
25. Gerwanski, J., Kordsachia, O., & Velte, P. (2019). Determinants of materiality disclosure quality in integrated reporting: Empirical evidence from an international setting. *Business Strategy and the Environment*, *28*(5), 750–770. https://doi.org/10.1002/bse.2278
26. Granlund, M., & Lukka, K. (2017). Investigating highly established research paradigms: Reviving contextuality in contingency theory based management accounting research. *Critical Perspectives on Accounting*, *45*, 63–80. https://doi.org/10.1016/j.cpa.2016.11.003
27. Hameedi, K. S., Al-Fatlawi, Q. A., Ali, M. N., & Almagtome, A. H. (2021). Financial performance reporting, IFRS implementation, and accounting information: Evidence from Iraqi banking sector. *The Journal of Asian Finance, Economics and Business, 8*(3), 1083–1094. https://doi.org/10.13106/jafeb.2021.vol8.no3.1083
28. Liu, C., Yao, L. H., Hu, N., & Liu, L. (2011). The impact of IFRS on accounting quality in a regulated market: An empirical study of China. *Journal of Accounting, Auditing and Finance, 26*(4), 659–676. https://doi.org/10.1177/0148558X11409164

29. Makhaiel, N. K. B., & Sherer, M. L. J. (2018). The effect of political-economic reform on the quality of financial reporting in Egypt. *Journal of Financial Reporting and Accounting*, *16*(1), 245–270. https://doi.org/10.1108/JFRA-05-2016-0035
30. Moll, J., & Yigitbasioglu, O. (2019). The role of internet-related technologies in shaping the work of accountants: New directions for accounting research. *The British Accounting Review*, *51*(6), Article 100833. https://doi.org/10.1016/j.bar.2019.04.002
31. Nugroho, Y. P., Setiawan, D., & Wedari, L. K. (2022). The role of the audit committee in accounting and finance expertise on earnings quality. *Corporate Governance and Organizational Behavior Review, 6*(2), 41–51. https://doi.org/10.22495/cgobrv6i2p4
32. Otley, D. (2016). The contingency theory of management accounting and control: 1980-2014. *Management Accounting Research*, *31*, 45–62. https://doi.org/10.1016/j.mar.2016.02.001
33. Pavlatos, O., & Kostakis, X. (2018). The impact of top management team characteristics and historical financial performance on strategic management accounting. *Journal of Accounting and Organizational Change*, *14*(4), 455–472. https://doi.org/10.1108/JAOC-11-2017-0112
34. Rainero, C., Migliavacca, A., & Coda, R. (2020). Accounting for pandemics and economic crises management: Moral hazard, blockchain, and smart-contracts [Special issue]. *Corporate Ownership & Control, 18*(1), 301–309. https://doi.org/10.22495/cocv18i1siart6
35. Rasyid, A., Sugiarto, D. E., & Kosasih, W. (2017). Management accounting techniques and corporate performance of manufacturing industries. *Risk Governance and Control: Financial Markets & Institutions, 7*(2), 116–122. https://doi.org/10.22495/rgcv7i2art11
36. Robu, M. A. (2015). Study on increasing value relevance of accounting information by IFRS. *Audit Financiar, 13*(123).
37. Santos, J. P. F. d., Pires, A. M., & Fernandes, P. O. (2018). The importance to financial information in the decision-making process in company's family structure. *Contaduría y Administración*, *63*(1), 1–23. https://doi.org/10.22201/fca.24488410e.2018.1727
38. Tabash, M. I. (2019). An empirical investigation on the relation between disclosure and financial performance of Islamic banks in the United Arab Emirates. *The Journal of Asian Finance, Economics and Business*, *6*(4), 27–35. https://doi.org/10.13106/jafeb.2019.vol6.no4.27
39. Yao, S., Wang, Z., Sun, M., Liao, J., & Cheng, F. (2020). Top executives' early-life experience and financial disclosure quality: Impact from the Great Chinese Famine. *Accounting and Finance*, *60*(5), 4757–4793. https://doi.org/10.1111/acfi.12659