

MANAGEMENT ACCOUNTING PRACTICES: A LITERATURE REVIEW AND AGENDA FOR FUTURE DIRECTION

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Abstract

Management Accounting Practices (MAPs) studies have gathered more attention from professionals in accounting and researchers in several countries. This may be attributed to many reasons such as Globalization effects, economic crisis and increasing opportunities in the local and foreign competitive markets. This study attempts to review various studies related to MAPs in several countries. Data was gathered from previous literature reviews and studies and tabulated, based on year, country, authors name, title as well as the population. The findings indicated that researchers who did previous researches have been dedicating their efforts to examine MAPs in several areas and sectors. This study is expected to provide a summary of literature review to contribute to the gap in MAPs studies and an invaluable agenda for future studies to adopt.

Keywords: Management Accounting Practices

1. Introduction

Management Accounting Practices (MAPs) are used by management to help managers reach the objectives of their organizations. MAPs being one of the important sources of the organizational information since accounting information play a central role in this changing and competitive business environment. Researches on the MAPs done by (see eg. Mitter and Hiebl, 2017; Nimtrakoon & Tayles, 2015; Haron et al., 2013). MAPs offer the following potential benefits to the organizations, such as, Enhanced effectiveness, Competitiveness, Improved quality, enhanced customer focus. The sustainability of a company or organization relies solely on effective information management, management information System and management Accountants' role and are the key components of effective decision-making in an enterprise. Especially in the analysis and presentation of information, management accountants' techniques and approaches need to be discussed seriously. The management accounting (MA) context in Sri Lanka is still very fundamental and has difficulty with traditional financial information (Fonseka et al., 2005). The organizations prioritize traditional financial accounting and statutory compliance requirements and in most cases the MA is subordinate to FA. As the economic growth reaches maturity, there is undoubtedly more competition and firms need to remain in the race more streamlined. An effective management-accounting system or principle can better the efficiency of operation of a company.

2. Problem Statement

Sri Lankan MA is far from modern management accounting but is still struggling with financial reports (Fonseka et al., 2005). According to most organisations, accounting standards like FA and statutory regulation such as SA are more important. Even the studies reveal that both the size and profitability in Sri Lankan quoted companies are somewhat smaller than the size and profitability in the multinationals (at least on average). Literature and practice highlight the need to stimulate the process of performance growth because of the different causes and kinds of the problem in the Eastern Province of Sri Lanka. The aim of this study is to make some suggestions for future studies based on the previous literature review.

3. Research methodology

This study reviews a collection of previous studies related to MAPs in Asian countries and other countries for the past two decades. It is showing an increasing trend in the research of MAPs, the emerging technological development and the evaluation of organizational systems.

Data Collection

Data was gathered from previous literature reviews and studies and tabulated, based on year, country, authors name, title as well as the population.

Definition of Management Accounting

Definitions from the three major Accounting Bodies such as Institute of Management Accountants (IMA), Chartered Institute of Management Accountant (CIMA), and International federation of accountants (IFAC). Management Accounting is 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 ensure appropriate use of and accountability for its resources”. “Management accounting also comprises the preparation of financial reports for non-management groups such as shareholders, creditors, regulatory agencies and tax authorities” (International federation of accountants (IFAC), 1989), (Institute of Management Accountants (IMA)).

The more recent definition “A profession that involves pertaining in management decision making, devising planning and performance management system and providing expertise in financial reporting and control to assist management in the formulation and implementation of an organization’s strategy.” (IMA, 2008, p.01.)

Management accounting is defined “as the application of the principles of accounting and financial management to create, protect, preserve and increase value for the stakeholders for profit and non-profit enterprises in the public and private sector” (CIMA, 2005, p18). According to the CIMA (UK) text books, “Management Accounting is an integral part of management is concerned with identifying, presenting and interpreting information used for, formulating strategy; planning and controlling activities; decision making; optimizing the use of resources; disclosure to shareholders and other external parties to the entity; disclosure employees and safeguarding assets. A management accounting tool is a framework, model, technique or process that enables management accountants to

improve performance, facilitate decision-making, support strategic goals and objectives, and otherwise, add value” (Chartered Institute of Management Accountant (CIMA))

According to the Management Accounting Practice Committee (MAPC), (1981), of the National Accounting Association (NAA) in the United States (US) defines Management Accounting as “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 ensure appropriate use of and accountability for its resources.”

Management Accounts consist of the summarized accounting information collected and submitted (normally monthly, quince or weekly) specific to the management of an enterprise (balance sheet, cash flow, and income statement). Management accounts provide information that is relevant to management's daily activities.

MAPs

Costing System - Costs accounting system is a framework that companies use to measure the cost of the products for profitable analyses, inventory evaluation and cost control. The cost accounting system (also called product costing system). It is important for profitable activities to estimate the exact cost of the products (Ivan & Louise, 2009, CIMA).

Budgeting System – Budgets facilitate effective communication and coordination between departments. Budgets will allow companies to allocate resources more effectively. Budgets can also be used as a tool to assess divisional or management performance (Garrison & Noreen, 2003). There are various types of budgeting systems, including Activity Based budgeting, ongoing budgeting, planning budgeting, cost control budgeting, flexible budgeting, etc.

Performance Evaluation System – Performance evaluation aims to assess the level of performance of employees and systems based on their performance standards. Performance evaluation is a crucial process in companies that have an organizational structure that is divided into departments. Some of the most frequently discussed methods used for evaluating divisional results are return on investment (ROI), residual income (RI) and economic value added (EVA), along with financial and non-financial measures. Balanced Scorecard is used to achieve these objectives. At present, companies are taking both accounting and non-accounting related measures. There is a major problem with installing a performance evaluation system. To implement the goal oriented system, a significant amount of staff time is required.

Decision Support System (DSS) – A decision support system (DSS) is used to support making decisions within an organization or business. A DSS allows users to sift through mass amounts of information and compile it in something that can be used to solve problems and make good decisions. DSS will provide quicker and better problem-solving through better understanding of risk.

Strategic Management Accounting - Newer management accounting techniques that organizations are adopting are value chain analysis, cost management of supply chains, competitor accounting, customer profitability analysis, total quality management (TQM), benchmarking, product life cycle costing, target costing and quality costing (use

of cost of quality reports and so on). Inbound measures and the Balanced Scorecard have been gaining increasing popularity since they were developed. It is one of the significant outcomes of modern management accounting as proposed by (Atkinson et al., 1997).

4. Literature Review

The term management accounting is derived from the cost accounting which was highly popular in early days due to the changes and the development of the new business requirement, the environment and the nature of MA today are far different than they were 50 years ago (Kaplan, 1984). In the today's competitive business environment Management Accounting plays an important role in organizations and Management Accounting has become a popular research topic in the world. Many researchers studied about the role of Management Accounting and Management accountant (Christina, 2013). Mitter and Hiebl (2017) concluded that Management Accounting has a significant influence on international enterprises.

In several countries in the world there are different surveys on MAPs have been carried out. Sulaiman et al., (2004) did a research on MAPs in selected Asian Countries (India, Malaysia, Singapore and China). Janaka and Fonseka (2009) mentioned some international view points from Australia France & United Kingdom on their study of factors affecting the low adoption of MAPs in SriLankan Business organizations. Kamilah (2012) categorized the MAPs in two such as 1. MAPs in Developed countries (European research, US research and Asia-Pacific research), 2. MAPs in Developing countries (China, Middle East, South East Asia and other Developing countries). Shah kamal (2015) categorized the MAPs and change into 1. MA in some European & Latin American countries, 2. China, 3. Australia. For this study, the researcher categorized into three such as Asian countries (Sri Lanka, India, Malaysia, Singapore, China, Thailand and Middle East), and Other Countries. Some previous research examples for those categories are as follows,

Asian Countries – In Sri Lanka, Fonseka, et al., (2005) found out that there is a considerable gap between the theory of management accounting and the practice of management accounting (2009). According to a survey conducted by Sulaiman et al., (2004), MAP tools do not appear to be sufficiently employed. The usage of traditional MA techniques continues to remain strong.

In Arab Gulf Cooperative Countries, McLellan and Esam, (2013) conducted an online survey in order to examine the rate of businesses' adoption of MA tools and found that older firms and private-owned companies are not adopting such tools. Due to international business dealings in Gulf States, there tends to be an increase in MAP usage (See Eg: Ghosh and Chan, 1997; Sohail and Hoong, 2003; Sulaiman et al., 2004; Islam & Kantor, 2005; Junjie Wu & Agyenim, 2010; Ali Uyar, 2010; Tuan & Malcolm, 2011; Kamilah, 2012; Haron et al., 2013; Siti Zaleha et al., 2014; Kamilah & Zabri, 2015; Nimtrakoon & Tayles, 2015).

Other Countries – According to Mendes and Lourenco (2014), there are seven characteristics which interfere with the implementation of quality programs and, specifically, seven factors that have greater prominence in medium-sized firms compared to the small ones. Such factors are education/training level and priorities of top management, cost and actual performance, lack of support from external agents, aversion to change, human resources' overload, culture and training, and lack of resources. Kihn and Nasi, (2017) did a study on the emerging diversity in MA research of the 80 Finnish doctoral dissertation for the period of 1945-2015 and the found that This has resulted in the diversification of doctoral research field in Finland, featuring increasingly complex research topics (See Eg:

Haldma & Laats, 2002; Alnoor, 2002; Garengo et al., 2005; Abdel-Kader & Luther, 2006; Marko, 2009; Heimonen, 2012; Siska, 2016). Kenneth, (2012) did a research in order to identify the ways / methods for making a Management accounting research more useful in United States of America; Kevin et al., 2004; Pavlatos & Paggios, 2009; Phi Anh et al., 2011; Peter Mwangi, 2014; Pavlatos, 2015; Nuraddeen et al., 2017; Esperanza et al., 2017).

Previous Literature Summary

Year/ Country	Authors	Title	Sampling and Methodology	Research Gap
1997 Singapore	B.C. Ghosh, Yoke-Kai Chan	"Management Accounting in Singapore; Well in place?"	Longitudinal studies in Singapore.	To identify the level of the usage of MAPs and Compare this with the Singapore's own companies and multinational companies in Singapore.
2002 Estonia	Toomas Haldma , Kertu Laats	"Contingencies influencing the MAPs of Estonian manufacturing companies"	62 responses of Postal questionnaire of Estonian large manufacturing companies	This is to describe the stages and tendencies in the development of Management Accounting in Estonian enterprises.
2002 UK	Alnoor Bhimani	"European management accounting researches; Traditions in the making"	Published European management accounting research (EMAR) papers in The European Accounting Review (EAR)	To better capture the emerging new continental tradition of MA research.
2003 Malaysia	MS. Sohail, TB. Hoong	"TQM practices and organizational performances if SMEs in Malaysia; Some empirical observations"	Malaysian Small and medium sized enterprises	The aim of this research is to compare the TQM practices and company's performances using ISO 9000 certificate in Malaysian SMEs.
2004 Australia	Kevin M baird, GL. Harrison, RC.Reeve	"Adoption of Activity Management Practices"	Random sample of business units in Australia	They investigate how the Business units have adopted Activity based costing (ABC) and its impact on their organization strategy.
2004 Malaysia	Maliah Bt. S, Nik Nasli.NA, Norhayati Alwi	"MAPs in selected Asian Countries; A review of Literature"	Literature review on MAPs in four Asian Countries.	To identify the level of usage of the MAPs and present the recommendations for future research.
2005	KBM.Fonseka, ASPG.	"MAPs in public	47 Quoted public	To analyze the usage of MAPs ,

Sri Lanka (CIMA)	Manawaduge, DSNP. Senaratne	quoted companies in Sri Lanka”	companies representative of six industry sector.	type and intensity used in Quoted public companies and to identify the gap between MA theory and practice.
2005 China	Majidul Islam, Jeffrey Kantor	“The development of quality MAPs in China”	Discussion dealt with empirical research associated with MAPs.	It shows the challenges facing the traditional Chinese economy and how to think of developing alternative financial markets.
2005 Italy	P. Garengo, S.Biazzo, A.Simonetti, G.Bernardi	“Research and Concepts Benchmarking on managerial practices; A tool for SMEs”	Literature review and empirical research Tested on Eight Italian SMEs	To find an appropriate method to stimulate improvement and qualitative growth in SMEs
2006 United Kingdom	M.Abdel-Kader, Robert Luther	“MAPs in the British food and drinks industry”	122 usable postal questionnaires.	This will provide detailed research on the transformation of the food and drink industry of the UK.
2007 *Sri Lanka	Chandana Alawattage, Travor Hopper, Danture Wickramasinghe	“Introduction to Management Accounting in less developed countries”	Case study on seven papers selected for this special issue.	Provide the research findings showing that Microfinance aids poor countries economic development.
2007 Sri Lanka	Anton Malmadana Kapuge, Malcolm Smith	“MAPs and Performance Reporting in the Sri Lankan Apparel Sector”	500 Questionnaires sent to Sri Lankan companies.	Lack of study on the implement of one such innovation, TQM among apparel companies in Sri Lanka in order to achieve financial performance.
2009 Greece	Odysseas Pavlatos , Ioannis Paggios	“MAPs in the Greek hospitality industry”	85 Leading Hotels in Greece	To analyze the level of adoption and the benefits derived from the traditional and contemporary Action Planning and Life Planning MAPs in the hospitality industry in Greece as a sign of future trends.
2009 Sri Lanka (CIMA)	BMC. Janake, AT.Fonseka	“Factors affecting the low adoption of MAPs in Sri Lankan business organizations”	22 Companies	There was the gap between the MA theory and practice in Sri Lankan companies.
2009	Marko Jarvenpaa	“The institutional	Basis of 2 longitudinal	An institutional view on how

Finland		pillars of Management Accounting functions”	case studies.	accounting is embedded within management.
2010 Turkey	Ali Uyar	“Cost and MAPs; A survey of manufacturing companies”	61 Responses of SMEs and large Companies in Istanbul, Turkey	The lack of published research papers on MAPs in international journals to explore cost and MAPs utilized by manufacturing Companies operating in Istanbul, Turkey
2010 China	Junjie Wu, Agyenim Boateng	“Factors influencing changes in Chinese MAPs”	Multivariate Analysis in Chinese organizations	It is vital to review the literature on factors influencing changes and adoption of MAPs towards the global economy
2010 Netherlands	Martijn van der Steen	“The emergence and change of management accounting routines”	Longitudinal case study at Rabobank Group over a period of four years.	To discuss the effects of routine on the cross-industry accounting change.
2011 Malaysia	Tuan ZT , Malcolm Smith	“Changes in MAPs in Malaysia”	The directory of the Federation of Malaysian Manufacturer. Only 171 questionnaires completed	Analyze the existing MA change literature especially in a developing economy setting to contribute towards the global competitiveness.
2011 Vietnam	Doan Ngoc Phi Anh , Duc-Tho Nguyen , Lokman Mia	“Western MAPs in Vietnamese enterprises; Adoption and perceived benefits”	181 usable responses from Accounting department in Vietnamese Enterprises.	To examine the experiences with respect to the adoption and benefits of Western MAPs of a developing economy in transition such as Vietnam.
2012 USA	Kenneth A. Merchant	“Making management accounting research more useful”	Research evaluation and review from the published in journals.	To discuss general failure of MA Research to be useful for businesses to create awareness.
2012 Malaysia	Kamilah Ahmad	“The use of MAPs in Malaysian small and medium enterprises”	160 usable responses from 1000 questionnaires posted	Which is an additional needs for more research in order to have a complete understanding of MAPs and for further studies to examine the relationships between MAPs and the performance of SMEs.
2012 Finland	Tomi Heimonen	“What are the factors that affect innovation	348 successfully growing SMEs distributed in two	To assess elements that influences productivity in small

		in SMEs?"	different regions of Finland.	establishments, there is still limited information on the issue.
2013 Austria	Martin RW. Heibl	"Management Accounting in the family business; Tipping the balance for survival"	Family Businesses	There was a scarcity for literature on MAPs in family business is used to discuss the benefits and obstacles of MAPs in family businesses.
2013 UAE	JD. McLellan, Esam Mustafa	"An exploratory analysis of MAPs in the Arab Gulf Cooperative countries (GCC)"	453 Management Accountants from a broad range of businesses in GCC	No one had ever studied before the business implementation across the GCC countries. That is why this study is quite new.
2013 Malaysia	NH.Haron , IK.Abdul Rahman, M. Smith	"MAPs and the Turnaround Process"	Case study and review of company documents.	A turnaround strategy has emerged as a serious need in certain large companies that are facing poor performance.
2014 Kenya	Peter MW Angi Gichaaga	"Effect of MAPs on financial performance of manufacturing companies in Kenya"	A descriptive survey method using 46 manufacturing companies Nairobi out of 455 target companies in Kenya	To study the effect of MAPs on firm performance in manufacturing companies in Kenya and creation and enhancement of awareness among organizations for better decision making.
2014 Malaysia	Siti Zaleha.AR, Che Ruhana.I, Wan Khairuzzaman .WI	"MA systems, Enterprise risk management and organizational performance in financial institutions"	Survey method used on 106 Financial institutions in Malaysia	This is to study the link in between the MAS, ERM and organizational performance to contribute, create knowledge and competitive advantage.
2015 Thailand	Sirinuch Nimtrakoon, Michael Tayles	"Explaining MAPs and strategy in Thailand; A selection approach using cluster analysis"	135 Questionnaire responses from Organizations in Thailand	To provide insight into MAPs in Thailand to analyze the level of adoption and benefit obtained from MAPs in Thai organizations.
2015 Malaysia	Kamilah Ahmad, Shafie M. Sabri	"Factors explaining the use of MAPs in Malaysian medium sized firms"	110 responses out of 500 companies	The potential factors that affect the MAPs in SMEs and large firms have to be considered in this context.
2015 Greece	Odysseas Pavlatos	"An Empirical investigation of Strategic	106 Leading Hotels in Greece.	Investigation of the relationship between contextual factors, SMA and historical performance in

		Management Accounting in hotels”		hotels.
2016 SriLanka	Lingesiya Kengatharam	“Capital Budgeting Theory and Practice; A review and agenda for future research”	Published Research Papers review	To discuss well thought out in its design and contributed by stating the known and unknown arena of capital budgeting during the period of 20 years..
2016 Czech Republic	Ladislav Siska	“The contingency factors affecting Management Accounting in Czech companies”	160 Czech companies	None of the research on MAPs and contingency factors affecting their application was carried out in the Czech Republic since it was a subject of many complex studies in other countries.
2017 Austria	Christine Mitter, Martin RW. Heibl	“The role of MA in international entrepreneurship”	Based on Multiple case studies of Austrian firms.	Management accounting is neglected but has a significant effect on international entrepreneurship capability.
2017 Australia	NA.Nuhu , Kevin Baird, Appuhami. BA	“The adoption and success of contemporary MAPs in the public sector”	740 questionnaire in public sector in Australia	Management Control System Contingency Based Research defines the relationship between the application of controls and the use of Management Actions Planning (MAPs).
2017 Finland	Lili- Anne Kihn, Salme Nasi	“Emerging diversity in MA research; The case of Finnish Doctoral Dissertations, 1945-2015”	80 MA Doctoral dissertations published in Finland	To analyze the current research status of MA change in Finnish Doctoral Dissertations, 1945-2015

5. Data Analysis

There are number of MAPs researches such as (Sulaiman et al.,2004; Pavlatos & Loannis. 2009; Ali Uyar, 2010; Junjie Wu & Agyenim, 2010; Tuan & Smith, 2011; Kamilah, 2012; Mclellan & Esam, 2013; Peter Mwangi, 2014). Each and every research used a little bit different categorization of MAPs. The researches have shown that in order to measure accountability of financial management in developing countries, the issues of poverty, corruption, community involvement, history, culture and politics should be considered (Chandana et al.,2007).

According to the study on cost and MAPs in manufacturing companies in Turkey, Ali Uyar, (2010) used a questionnaire survey consists of 61 companies, containing small and medium-sized enterprises, and large companies in Istanbul, Turkey and found that the companies use job costing method for the product costing system and recognized traditional MA tools still important. However, new MAPs such as strategic planning and transfer pricing are noticed less important than traditional ones. Therefore, companies need to improve themselves in this part.

According to the study conducted by Nimtrakoon and Tayles (2015), showed that firms pursuing strategies such as differentiating, prospecting, entrepreneurial and building have reported higher benefit form contemporary as opposed to traditional manufacturing methods in Thailand. Firms with competitive market dominance reported a greater benefit than cost leaders. This study has used factor analysis, cluster analysis and Kruskal-Wallis one-way ANOVA to evaluate the statistics for their data.

Nuraddeen et al.,(2017) conducted research on how to adapt contemporary MAPs to the public sector. The interactive and diagnostic approaches to the use of management control system has a positive correlation with the success and adoption of contemporary MAPS, both as a package and individual.

Haldma and Laats (2002) studied the influencing contingencies on MAPs in Estonian manufacturing companies. The research methodology is used in this study was a postal questionnaire survey of 62 responses analyzed among the largest Estonian manufacturing companies to explore the main impact on them within a contingency theory framework and aims to confirm earlier findings on the influencing factors that affect MAPs. In addition to this, aims to identify possible new variables. They considered the contingency factors into two general groups such as external factors and internal factors. The external factors include business environment and accounting environment and the internal factors include organizational aspects, technology and strategy. The research findings confirmed some prior findings related to the influencing contingencies such as size of the organization, market competition and introduced possible new factors such as legal accounting environment and shortage of qualified accountants. They concluded that the conceptual change in the area of financial accounting characteristics of European transition countries served as a precondition for the design and introduction of MA for the development of organizations' management accounting systems within a short period of the market economy countries have not experienced such change.

Islam and Kantor's (2005) work provides a background for the development of quality group assignments in China. Their study looks at China's situation from the perspective of a transitional economy. They examined various important tools for corporate capital planning including capital budgeting, cost of capital concept, inventory model concept, just-in-time inventory system, cost-volume profit analysis, total quality management, and others. One of the main reasons for China's lag in adopting MV's is the lack of knowledge of Western MV's. There is national standard culture in China and well-developed information system by Chinese business affects national anti-malaria efforts.

Abdel- kader and Luthar, (2006) did research on the topic of MAPs in food and drinks industry in the United Kingdom for the purpose to understand the level of MAP's complexity and the factors that affect the implementation of MAPs. A survey questionnaire was used for this study and 650 sent to executives in the industry and 245 usable completed questionnaires were received and analyzed. The study found that the sophisticated level of MAPs increased as companies moved into a more uncertain environment.

Janaka and Fonseka (2009) have investigated the reason for the low adoption of MAPs in Sri Lankan businesses. They recruited a sample through a questionnaire-based methodology and then conducted more in-depth interviews. This study utilized a sample of 22 Sri Lankan limited liability companies to observe the fundamental variables concerning the low adoption of mutual arrangements in business organizations. It is observed that top management awareness of MAPs have a strong positive correlation with adoption of MAPs, moderate negative correlation with

use of independent costing, a strong positive correlation with mode of planning and control, and moderate positive correlation with supportive organizational culture.

Pavlatos, (2015) did an empirical investigation of strategic management accounting in hotels in Greece. He used seven contingency factors for his survey data those are perceived environmental uncertainty, organizational lifecycle stage, structure, historical performance, quality of information system, size of the organization and strategy. The findings indicated that lagging performances affects strategic management accounting and has a moderate relationship with the perceived environmental uncertainty.

Kamilah and Shafie, (2015) did research on the factors affecting the use of MAPs in Malaysian medium sized firms. For this study, they looked at the questionnaires sent out to 500 firms in the manufacturing sector, and only got 110 usable responses. They found that the factors such as size of the firm, intensity of market competition, commitment of the owner / manager of firm, and advanced manufacturing technology have significant influences on the use of certain MAPs and they recognized the commitment of the owner / manager of firm is one of the key factor that affects the level of the use of the MAPs in smaller firms.

According to Siska, (2016) the Czech Republic, shows similar significant contingency factors affecting MAPs as the organizations in the developed countries do. For this study, he aimed to investigate the MAPs used in Czech companies and to verify, whether significant contingency factors, that impact MAPs in foreign countries, are present in businesses in the Czech Republic as well. And he considered four categories of MAPs such as cost classifications, operational budgeting, operational performance reporting and strategic management accounting methods, each containing three up to seven individual MAPs. In this study, the analyzed contingency factors included interactive and diagnostic use of management controls, their dynamic tension, size and service character of the firm, its inclusion into broader holding structure or aspects of competition. A questionnaire was developed based on the previous bibliographic search to collect the data from the sample of 160 organizations with more than 10 employees because microenterprises are not supported to apply sophisticated MAPs. (see eg. Chenhall & Smith,1998; Nimtrakoon,2009; Nimtrakoon & Tayles, 2010; Albu & Albu,2012). Williams and Seaman (2002) also provide evidence on the role of accounting information practices in enhancing firm performance. Management accounting system information will help managers to make effective decisions and consequently improve organizational performance (Agbejule, 2005).

Following a study, Anton and Malcolm (2007) looked at the performance reporting in Sri Lankan apparel sector and aimed to determine the impact of total quality management on the strategic goals and on practice of management, practices and performance reporting. This study showed a significant difference in business strategy towards the problems relating to quality of services with the companies following the TQM procedure regarding the importance of quality over the costs.

According to a study by Ajibolade et al., (2010), increases in the implementation of accounting practices have direct positive impact on business performance. Wang and Huynh (2012) claim that the more people use more management accounting information will enhance business performance.

Tuan and Malcolm (2011) studied the difficulties in natural calamities in Malaysia. They argued that because MAP changes became much more significant between 2013 to 2017 because of the way existing practices were changed,

deleted or modified. Their study supports previous researches showing a positive relationship between changes in the market structure and companies' performance. Furthermore, Kamilah (2012) did not provide convincing evidence to suggest the positive relationship between the use of maps and the performance of SMEs. (e.g. Kamilah & Zabri, 2013; Islam & Kantor, 2005)

6. Findings

The findings indicated that researchers who did previous researches have been dedicating their efforts to examine MAPs in several areas and sectors, 50% of the studies have done in Asian countries and another 50% of the studies have done in other countries. In the Asian countries context, highest relevant studies were conducted, Particularly in Malaysia in the past two decades.

7. Future Direction

The present study reviewed the previous studies on the MAPs in various countries. Future Researchers can conduct a Study on Contingency theory in MAPs to identify the relationship among them for the Sri Lankan context; another research can be developed by conducting a comparative study of the Sri Lankan Situation on the adoption of MAPs against other countries. In addition, future studies can analyze specific factors as to why SMEs are not adopting newly developed MA Tools.

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