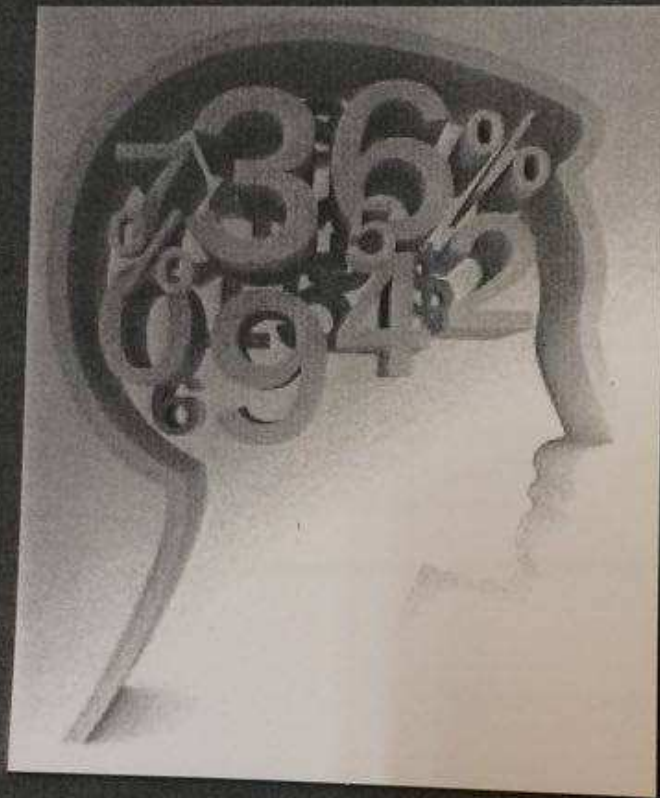


Volume V Number 1 2015
ISSN 2327-9087

JOURNAL OF ADVANCEMENTS IN ECONOMICS,
FINANCE & ACCOUNTING



EDITOR-IN-CHIEF

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FACTORS INFLUENCING STRATEGIC COST MANAGEMENT IMPLEMENTATION

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ABSTRACT

This research investigate the effects of top management support, competitive learning, integrate resource management, accountant competency on strategic cost management implementation. Transportation businesses in Thailand were selected as the sample. Questionnaire is used as an instrument for data collection and accounting manager/director is key informant. Data were collected from a sample of 105 firms. The Ordinary Least Squares (OLS) regression analysis is a method for testing the hypotheses. The results indicate that top management support, accountant competency have a significant positive effect on strategic cost management implementation. Potential discussion with the results is evidently implemented in this research. Contribution, conclusion and directions for future research are provided.

Keywords: *strategic cost management implementation, top management support, competitive learning, integrate resource management, accounting competency*

1. INTRODUCTION

The rapid speed of globalization and continually changing business environment, firms need to be vigilant of the impacts of the changes in the business environment and create appropriate strategies to success and survive. To compete in this global competition, firms have to be flexible, open and responsive to customer desires. Modarress et al. (2005) emphasized that cost accounting techniques do not sufficiently consider the importance of quality and functionality, which are the desires of today's circumstance. In other words, cost minimization or cost reduction is not a sufficient strategy to obtain competitive advantage without the support of other market considerations. The need for firms to create higher value in their products or service while lowering costs has been described by Ibusuki and Kaminski (2007). Likewise, the principal aim of the cost management is to help firm maximize their profit. For achieving this aim, contemporary firm should constantly improve themselves and get ready for the future as well as competing under today's circumstances (Apak, 2012). Also, the objective of firm is to gain profit; firms seek to keep costs under control by applying strategic cost management. Strategic cost management has become a significant survival skill for many firms. But it is not sufficient to simply reduce costs; instead, costs must be managed strategically (Cooper and Slagmulder, 1998).

An ability in providing cost information usefulness to develop strategic decision making and enhancing firms' performance, the role of strategic cost management is becoming more important that provides cost information to support the achievement of the firm's objective and strategic goals (Blocher et al., 2008). Based on the contingency theory, researchers have discussed that the reasons for different degrees of strategic cost management could be due to the different contextual factors faced by each firm. These have led researchers to recognize assessing factors that influence strategic cost management implementation as an important research area.

The purpose of this research is to examine the factors influencing on strategic cost management implementation. The key research questions in the current study are: 1) How does the top management support influence on strategic cost management implementation? 2) How does the competitive learning effect on strategic cost management implementation? 3) How does the integrate resource management effect on strategic cost management implementation?, and 4) How does the accountant competency effect on strategic cost management implementation?.

2. THEORETICAL FOUNDATION

This research applies contingency theory to explain the factor influence strategic cost management implementation. Contingency theory declares that a firm's performance is attributable to the match