

AN APPROPRIATE ACCOUNTING REPORT FORMAT FOR EXECUTIVE DECISION MAKING

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ABSTRACT

The purposes of this research were to study the policy, vision, executives' mission and the current status of accounting report of the Graduate School of Commerce; to study accounting information needed by the executives to make decision to run the organization, and to design accounting reports for the executives to receive information timely. Qualitative research was the method used in the research and the data were collected with in-depth interview and action research. The informants were 9 executives of the Graduate School of Commerce.

The results of the research showed that the accounting report format that gives the executives timely and accurate information should have the form of accounting report, ie, statement of comprehensive income, statement of financial position, and cash flow statement. These accounting reports are important to executives for analyzing the past performance data of the Graduate School of Commerce and comparing revenues and expenses to know whether there is net profit or loss. The report format is presented graphically as a percentage comparison. In addition, the system that displays accounting reports automatically alerts executives at any time. It also tells whether there is an increase or decrease in expenses for the current situation in the Graduate School of Commerce in order that the executives can understand the data more clearly and can make decision to run the institute properly.

Keywords: 1) Accounting Report Format

1. Introduction

The state-run higher education institute or the autonomous university is a university which has independent management which is not like the bureaucratic system. It also receives general subsidies from states that have allocated funds needed to spend on the development or management of the organization to implement the objectives of the university and to assure the quality of education. (Burapha University Act, 2007, 2017)

As a result of the change of status from a state university that was originally bureaucratic to a university other than a private university and not a state enterprise model, it remained a state university. It also uses the public budget, but has a different management. As a result, it has become an autonomous university which is like the center of the intellect. It is also the center of the organization, researches and

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research to produce national brain. In the traditional bureaucratic administration, there was a problem of being a public university governed by the management and personnel within the bureaucracy that caused delays and inefficiencies. The change to the autonomous university was to drive the university and develop the organizations to keep pace with the changes in society. State-supervised universities under Section 36 of the National Education Act, BE 2542 (1999), stipulates that educational institutions providing education for bachelor's degree shall be juristic persons and maybe classified as government agency or state-supervised agency. The change was to help university to have good administration based on good governance and to be able to operate with flexibility. It also has the responsibility to carry out the activities within the organization. This is consistent with the need for organizational development to be linked to government policies. (Office of the Public Sector Development Commission, 2018)

The Graduate School of Commerce, which became autonomous applies the current Act to manage the achievement of the organization in order to achieve the goals. Therefore, the researcherers as the staff members whose position was financial and accounting scholars in the Graduate School of Commerce recognized the importance of the accounting report format which would be suitable for executives to make decision in effective and efficient organizational management. Based on the results of this study, the researchers expect to use the analysis in the planning of each activity and evaluate the result of the activity for the organization chief executive and executives involved in the administration to make management decision with the cooperation of all parties and to support the organization to achieve the goals and to create a sustainable organization in the future.

1.1 The purposes of this research

To design an accounting report format for giving information to executives to keep up with the times.

1.2 Conceptual framework for conducting research

Planning

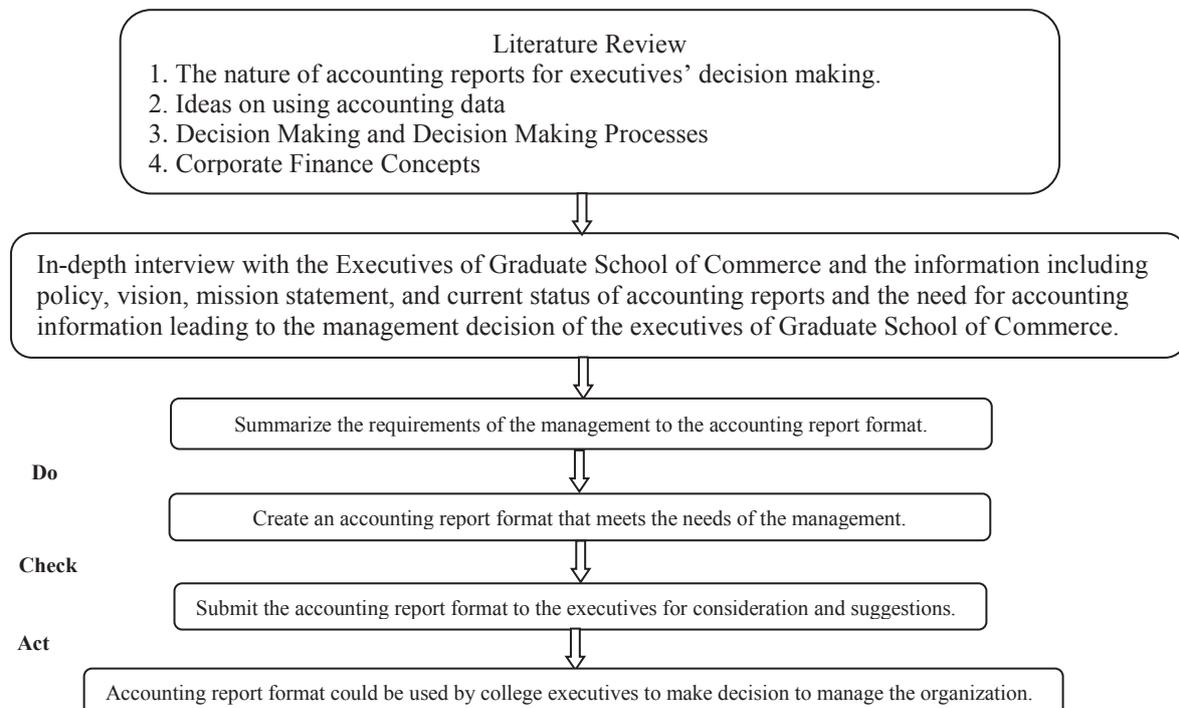


Figure 1-1: Conceptual framework for conducting research

1.3 Expected Benefits of Research

- 1 . The management team can have the format of accounting report used foreffective and flexible decision making in the operation of various activities.
- 2 . The management team can use information from the accounting report in management decision making.

2. Research Methodology

The study on "The Appropriate Accounting Report Format for Executive Decision Making" was Mixed Method Research, which consisted of qualitative research and action research. To qualitative research, in-depth interviews were conducted to the sample group selected by purposive sampling. To action research, there were 9 executives of the Graduate School of Commerce in the population group. The research methods were as follows:

1. Demographics and sample selection
2. Method of data collection
3. Steps to create a research tool
4. The reliability of research tools
5. Data preparation and analysis

3. Results

In the research “The Appropriate Accounting Report Format for Executive Decision Making”, the researchers studied the documents, the research related to the study, and the targeted group consisting of the informants giving the main information in the interview. There are three steps as follows:

Part 1: The need for accounting information that the management team needed for decision making to carry out different activities.

Part 2: Designing accounting report format for giving information to executives to keep up with the times.

Part 1: The need for accounting information that the management team needed for decision making to carry out different activities.

Demand for data accounting report for decision making

Table 1-1 Demand for data accounting report for decision making

GSC executives	Reported Data Financial status Statement	Reported Data Profit and Loss Statement	Reported Data Cash flow Statement	Reported Data Graph
Dean	✓	✓	✓	✓
Vice Dean 1	✓	✓	✓	
Vice Dean 2	✓	✓		✓
Committee 1 in GSC Board		✓	✓	
Committee 2 in GSC Board	✓			✓
Committee 3 in GSC Board			✓	
Ex- vice dean and Committee 1 in GSC Board		✓		
Ex- vice dean and Committee 2 in GSC Board	✓	✓		✓
Ex- vice dean and Committee 3 in GSC Board		✓	✓	✓
Total	5	7	5	5

It can be concluded that the accounting information necessary for Graduate School of Commerce (GSC) administrators' decision-making was the profit and loss statement which enabled them to know how much the revenues and the costs were, the statement of financial status showing the current performance of the GSC, the cash flow statement showing how much the Graduate School of Commerce had liquidity, as well as the reports in graph form which made it easier for executives to understand and be able to make decision to carry out the activities properly.

The need for accounting report for giving information to executives to keep up with the times.

Table 1-2: The accounting report format that gives executives the information they need to keep up with the times

GSC executives	Report format Profit and Loss Statement	Report format Financial status budget	Report format Cash flow	Report format In percentage	Report format In Graph	Report format Automatic notification
Dean	✓	✓	✓	✓	✓	✓
Vice Dean 1	✓	✓				✓
Vice Dean 2	✓	✓	✓		✓	
Committee 1 in GSC Board Committee 2 in GSC Board	✓ ✓	✓		✓ ✓		✓ ✓
Committee 3 in GSC Board	✓		✓			
Ex- vice dean and Ex- Committee 1 in GSC Board	✓		✓	✓	✓	
Ex- vice dean and Ex- Committee 2 in GSC Board				✓	✓	
Ex- vice dean and Ex- Committee 3 in GSC Board	✓				✓	

In conclusion, the need for accounting report on data for decision-making for GSC executives should include income statement, statements of financial status, cash flow statement, and graphs that show administrators understand more easily and display comparative reports in percentage, as well as the notification in the information system for the executives to see how how many percents the monthly revenues and epenses have decreased or increased so that the management team can see whether the present operation is at a safe or secure level or not.

Part 2 Designing accounting reports for giving information to executives to keep up with the times.

Table 1-3: Designing new accounting reports for executives

Original format	Improved format based on the administrators' need
1. The report format showing comparative receipts and expenses. (University revenue only)	1. The report format showing financial statement (monthly)
2. The report format showing comparative income and expenses. (public revenue only)	2. Statement Format of income and Statement Format of income and expenses (monthly)
3. Report on the increase and decrease of revenues and expenses.	3. Report format showing cash flow (monthly basis)
4. Report showing balance sheet (assets)	4. Graph Report Format to compare revenues and expenses (monthly basis)
5. Report showing balance sheet (Liabilities and equity)	5. College Revenue Graph (monthly basis)
6. Financial liquidity ratio	6. Graph Report Format of expenses (monthly basis)
7. Capital Accumulation Analysis ratio	7. Graph report format summarizing the overall revenues and expenses (monthly basis)
8. Financial policy analysis ratio	

4. Discussion of the Results

From the study of the appropriate accounting report format for the executives' decision making of the Graduate School of Commerce to keep up with times, it was concluded that the accounting report format should included profit and loss balance sheet, financial status statement, cash flow statement because all of these data are important for the executives to analyze them to find out the outcomes of their performance and how successfully they operate their institute. With these data, they can also compare the revenues with the expenses so that they know how much profit and loss they gain. The data are also presented graphically by percentage, so it is clearer for the decision makers to carry out the activities properly and the accounting report format can also make the management team more informed to keep up with times. The accounting report format should give notifications automatically so that the executives keep up with current situation and know whether the expenses have increased or decreased. The most up to date information may reduce errors in the decision-making in various areas as well. The results of this study are consistent with the theory of accounting report for management decision making based on a text book of the financial business report (Khemphet Charoenrat et al., 2014) which explained that the accounting report referred to the accounting and financial reporting of the business conducted under the generally accepted accounting principles or accounting standards in order to plan, control and make decision in various operations. The study results are also consistent with Benjamas Apisitpinyo (2012) who stated that managerial accounting report is the accounting for presenting financial information that has occurred in the past or is the financial estimates of future events and the report is to provide such information to the management team within the organization so that they can use the data in the report as a guideline for planning, controlling and making appropriate and timely decisions on different issues. It also provides analytical information within the organization that the executives pay attention to at the moment.

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