Effects of Job Environments and Knowledge Competency of Accountants on Quality of Financial Reports of the SMEs Business in Nakhon Ratchasima Province

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Abstract

The purposes of this research were to study the job environments, and knowledge competency level of accountants that affected the quality of financial reports of SMEs business in Nakhon Ratchasima province. Data were collected by questionnaires. The samples were 283 accountants of SMEs business in Nakhon Ratchasima province. The statistical methods used to analyze the data were percentage, mean, standard deviation, correlation coefficient, and multiple regression analysis. The findings revealed that the job environments, the aspects, namely ‘functional competency’, ‘integrity and ethical value’, ‘authority consignment’ and knowledge competency of the accountants, the aspects, namely ‘ethics, knowledge’, and ‘skills’ were positively related to and affected the quality of financial reports of SMEs business in Nakhon Ratchasima province with the significant level of 0.05.

Keywords: Job environments, Knowledge competency, Quality of financial reports

Introduction

In the Year 1997, the economic crisis damaged both large and small-sized businesses. Several agencies brainstormed to find out the solutions such as Department of Export Promotion (DEP) to optimize the production and promote tourism, etc. The government sectors supported and promoted small and medium-sized businesses in which there were more than 90% of the total businesses in the country. The businesses include manufacturing, trading and service businesses. Most entrepreneurs were in the forms of ordinary person, group of person and ordinary partnership, limited partnership, company limited and the joint venture. Moreover, small and medium-sized enterprises (SMEs) were also important to the economy. For instance, they helped create jobs for people, added values to local products, increased the domestic currency circulation, as well as reduced the imports of foreign goods. They were skill development sources to strengthen the economic system. However, SMEs in Thailand still have many problems
such as lack of spirit of the entrepreneurs, ineffective management, lack of personnel or experts, the management with high production costs and high competition, the inappropriate manufacturing management resulted in losses in production, low productivity, not up to standard. This brings non-standardized and non-competitive products. (Small and Medium Enterprises Development Institute, 2014)

Being successful in the Small and Medium Enterprise (SMEs), the management in each corporate should have updated and accurate finance and operation information for making decisions. Thing that the management and the financial users should pay attention is the quality of financial report. Especially, after Thailand Economic Crisis, accounting data users paid their attention to the quality of financial report seriously. The application of the properly qualitative characteristics of financial report brings the correct financial report and benefits financial report users. (Niphan Henchokechaichana, & Silpporn Sriajanphetch, 2011).

Job environment is the main factor that reflects the personnel’s feelings through the job and co-workers. If the job environment is appropriate, personnel can work more efficiently and be happy with their work. Many people may perceive that the accountants’ role is only conducting bookkeeping, tax calculation and preparing financial statement. In fact, not only the accountants should be qualified by the accounting professional act, but also the accountants should have knowledge in their professional and are always updated to their skill improvement. This is because currently, there is continuous changing in accounting standard. Therefore, the accountants should not stop learning. Besides, the accountants should be expertise in their role with excellent communication skills and should be able to support the demanding in information and report in the new economy based on knowledge. Not only, the professional expertise is required as the accountant’s knowledge and skills, but also the accountants are required to be a business consultant, a financial analysis, a communicator, a negotiator and a manager in the right circumstances. In the meantime, being the professional accountant, the skills in the area such as cognitive skill, general and specific accounting skills, unique skill, communication and coordination skills, business and corporate management skills are required as well as honesty, fairness and pride in the organization (Sansakrit Vichitlekarn, 2012). In addition, the accountant should have skills and knowledge competency, which are the important factor in order to be a successful professional accountant. It is shown that they are the main factors, which are enhancing the competitiveness of the organization (Toen Thongkaew, 2012).

The researcher is interested in studying the effects of job environments and accountant’s knowledge competency which affected the quality of financial report of SMEs. This is because a large number of SMEs can help develop economy and society.
Especially, in Nakhon Ratchasima, there was a number of SMEs accounting for 90.08 percent of the total businesses in the Year 2014. The capita income (GPP/capita) of 71,405 Baht was ranked 45th in the country (Nakhon Ratchasima Statistics Development Plan, 2014). SMEs are able to distribute the cash flow from business to the groups of labor or employees who support the economy structure and society. If the SMEs business has good environment, knowledgeable accountants, and qualified accounting data, it will be able to grow rapidly. When SMEs are growing, they will help economy and business stable. They will increase productivity and technology improvement in production line. This leads SMEs to be a corporate business, having a new production plant, launching new productivity to the market which corporate business does not dare to invest.

**Objectives**

1. To study the job environments, knowledge competency of accountants and quality of financial reports level of SMEs business in Nakhon Ratchasima province.
2. To study the job environments and knowledge competency of accountants that affected the quality of financial reports of SMEs business in Nakhon Ratchasima province.

**Hypothesis**

1. The accountant’s job environments affected the quality of SMEs’ financial reports in Nakhon Ratchasima province.
2. The knowledge competency affected the quality of SMEs’ financial reports in Nakhon Ratchasima province.
Concept and Theory Framework

**Job Environment**
1. Integrity and Ethical Values
2. Management’s Philosophy and Operating Style
3. Organization
4. Authority Consignment
5. Human Resource Policy
6. Functional Competency

**Quality of Financial Reports**
1. Understandability
2. Relevance
3. Reliability
4. Comparability

**Knowledge Competency of Accountants**
1. Knowledge
2. Skills
3. Professional Values
4. Ethics

**Figure 1** Conceptual Framework

The concepts and theories related to present study are presented;

1. The word ‘SMEs’ was defined as SMEs, which operate in Nakhon Ratchasima province.

2. ‘The accountants’ refers to accounting supervisors and those who take care of account of SMEs in Nakhon Ratchasima province.

3. ‘Job environments’ refers to various elements within the organization, both tangible and intangible elements, as well as various factors that affected the pressure on work, mental or social organization through the process of organizing interpretation led to the decision. It includes expressing of understanding and opinions based on experiences and feelings that arise in the mind resulted in work promotion and facilitation. According to job environments, the researcher has studied the job environments concept of the Stock Exchange of Thailand (2005) consisting of 1) integrity and ethical values, 2) management’s philosophy and operating style, 3) organization, 4) authority consignment, 5) human resource policy, and 6) functional competency.

4. ‘Knowledge competency of accountants’ refers to skills, experiences and expertise that meet the performance and the responsibilities assigned to follow
professional standards which must be continuously developed. According to knowledge competency of accountants, the researcher has studied standard procedure of pre-education of being accountant and continuous education of International of Federation of Accountants, IFAC (Federation of Accounting Professions under The Royal Patronage of his Majesty the King, 2009) consisting of 1) knowledge, 2) skills, 3) professional values, and 4) ethics.

5. ‘Quality of financial reports’ refers to features that make information in financial reports are useful to users. According to the quality of financial reports, the researcher has studied the qualitative characteristics of financial report according to accounting framework (Federation of Accounting Professions under the Royal Patronage of his Majesty the King, 2009) consisting of 1) understandability, 2) relevance 3) reliability, and 4) comparability.

The researcher has considered the above concepts to obtain the variables of the present study.

Methods

The present study is considered a quantitative research and a survey research work. Data were collected by questionnaires. The samples were the accountants of SMEs in Nakhon Ratchasima province.

Population and Sample

The population of the present study was a total of 965 registered SMEs accountants in Nakhon Ratchasima province (Panatda Pekrum, 2014), including 118 entrepreneurs (Small and Medium Enterprises Development Institute, 2014). The researcher took the proper sample size from registered accountants. In the present study, Taro Yamane calculation defining 95% of confident, below 0.05 of deviation of 283 people was used as a proportional stratified random sampling. The proper sample size was taken from the population in each enterprise. (Kanlaya Vanichbuncha, 2015)

Instrument

Questionnaire was employed to collect the data. The data were analyzed quantitatively. The instrument validity consisted of 1) content validating; the draft of questionnaire was proposed to 5 experts for its content validity and its objective congruence. The objective congruence of the 70-item questionnaire was within the range of 0.80 – 1.00. 2) checking the reliability; the improved questionnaire was tried out with the 30 chief accountants who were not the research samples. Cronbach’s coefficient alpha was employed to check the reliability of the questionnaire, the result of the reliability of the questionnaire was within the range of 0.71 – 0.95.
Data Collection

Data were collected by the questionnaire. The research samples were 283 accountants of SMEs in Nakhon Ratchasima province. The procedure for data collection was as follows: 1) the researcher asked for the permission of data collection from SMEs’ accountants in Nakhon Ratchasima province and 2) the researcher and assistant researcher mailed the questionnaire along with the reply envelop to the participants. In addition, following - up by making phone calls was conducted to get questionnaire back from 283 samples. The data was collected in the year 2014 the period of four months.

Data Analysis

The collected data were checked for their completion of answers. The completed questionnaire was coded in order to feed in the statistical package program. In the present study, descriptive statistics was used to 1) describe basic information of samples which was general information of the respondents as percentage, frequency distribution, 2) describe the information of the 2nd section of questionnaire which was job environments, 3) describe the 3rd section of questionnaire which was knowledge competency of accountant, 4) describe the 4th section of questionnaire which was quality of financial reports. In addition, correlation coefficient was employed to find out the relationship of SMEs’ job environments and quality of financial reports in Nakhon Ratchasima province. Last, multiple regression was employed to find out the effects of job environments and knowledge competency of accountants on quality of financial reports of the SMEs business in Nakhon Ratchasima province as shown below;

\[
\text{QFR} = C_1 + B_1 X_1 + B_2 X_2 + B_3 X_3 + B_4 X_4 + B_5 X_5 + B_6 X_6
\]

\[
\text{QFR} = C_2 + B_7 Y_1 + B_8 Y_2 + B_9 Y_3 + B_{10} Y_4
\]

Whereas:

- \(C\) = Constants
- \(B_1, B_2, \ldots B_{10}\) = Partial Regression Coefficient
- \(X_1\) = Integrity and Ethical Values
- \(X_2\) = Management’s Philosophy and Operating Style
- \(X_3\) = Organization
- \(X_4\) = Authority Consignment
- \(X_5\) = Human Resource Policy
- \(X_6\) = Functional Competency
- \(Y_1\) = Knowledge
- \(Y_2\) = Skills
- \(Y_3\) = Professional Values
- \(Y_4\) = Ethics
- \(QFR\) = Quality of Financial Reports
Results

1. The job environments, knowledge competency of accountants, and quality of financial reports of SMEs business in Nakhon Ratchasima province. The results were as follows:

Regarding the accountant’s job environment of SMEs in Nakhon Ratchasima province, in overall, the job environment of SMEs was in a good level ($\bar{x} = 3.91$). When considering by aspects, the results revealed that all aspects were in good level. The aspect, namely ‘integrity and ethical values’ showed the highest mean score followed by, ‘management’s philosophy and operating style’ and ‘human resource policy’, respectively.

Concerning knowledge competency of SMEs’ accountants in Nakhon Ratchasima province, in overall, knowledge competency of SMEs’ accountants was in a high level ($\bar{x} = 4.06$). When considering by aspects, the result revealed that knowledge competency of accountants was in a high level in all aspects. The aspect, namely ‘professional values’ was the highest, followed by ‘ethics’, ‘knowledge’ and ‘skills’, respectively.

In relation to the quality of SMEs’ financial reports in Nakhon Ratchasima province, in overall, the quality of SMEs’ financial reports was in a good level ($\bar{x} = 4.03$). When considering by aspects, the results revealed that the quality of financial reports was good level in all aspects. The aspect, namely ‘reliability’ was the highest, followed by understandability, comparability and relevance respectively.

2. Relative of accountants’ job environment and knowledge competency with quality of SMEs’ financial report, data analysis for hypothesis testing, researcher use correlation coefficient and the result of data analysis indicated that:

The job environment related with quality of SMEs’ financial reports in Nakhon Ratchasima province, in the positive ways at middle level – rather high, and independent variable of work environment is self-related with other function which possible has multicollinearity incurred. Researcher tested multicollinearity by using VIF, seems that VIF of independent variable was job environment in all parts being set at range between 1.339 – 2.220 which lower than 10, these means that independent variable was not caused to multicollinearity (Black, 2006: 585) and can be use multiple regression analysis.

The accountants’ knowledge competency and quality of SMEs’ financial reports in Nakhon Ratchasima province, which is shown in the positive ways at rather outstanding level, and independent variable of accountants’ knowledge competency related with other function which possible has multicollinearity incurred. Researcher tested multicollinearity by using VIF, seems that VIF of independent variable was accountants’ knowledge competency in all parts being set at range between 1.582 – 2.560 which lower than 10, these means that independent variable was not caused to
multicollinearity (Black, 2006: 585) and can be use multiple regression analysis.

3. Job environment and knowledge competency of accountants affected to quality of SMEs’ financial reports in Nakhon Ratchasima province. Data analysis, researcher use multiple regressive analysis and the result of data analysis indicated that job environment and knowledge competency of accountants affected to quality of SMEs’ financial reports in Nakhon Ratchasima province as table 1 and 2.

Table 1 Job environment affecting the quality of SMEs’ financial reports in Nakhon Ratchasima province

<table>
<thead>
<tr>
<th>No.</th>
<th>Job Environment</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Functional Competency (X₆)</td>
<td>0.338</td>
<td>0.051</td>
<td>0.379</td>
<td>6.569*</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>Integrity and Ethical Values (X₁)</td>
<td>0.221</td>
<td>0.039</td>
<td>0.273</td>
<td>5.596*</td>
<td>0.000</td>
</tr>
<tr>
<td>3</td>
<td>Authority Consignment (X₄)</td>
<td>0.195</td>
<td>0.052</td>
<td>0.218</td>
<td>3.745*</td>
<td>0.000</td>
</tr>
</tbody>
</table>

n=283, Constant=1.040, R=0.738, R²=0.544, R² adj=0.539, S.E. est=0.373, F=109.820

*Statistically significant level at 0.05

In table 1, the results of stepwise regression reveals that 3 aspects of job environment which were ‘functional competency’ (X₆), ‘integrity and ethical values’ (X₁) and ‘authority consignment’ (X₄) statically affected the quality of SMEs’ financial reports in Nakhon Ratchasima province, with significant level of 0.05. The percentage of the effect was 54.4 (R² = 0.544) with standard error of estimate of 0.373. But ‘Management’s philosophy and operating style’ (X₂), ‘Organization’ (X₃) and ‘Human resource policy’ (X₅) were not affected the quality of SMEs’ financial reports in Nakhon Ratchasima province. This is probably that the SMEs, the small and medium-sized enterprises do not focus on the provision of an appropriate number of staff working in harmony with nature and complexity of the task. They do not give priority to the development plan to develop and improve skills, professional competent of staff, both short-term and long-term plans. Employees are not involved in the formulation of policies and strategies. In addition, most businesses do not provide information related to operation as written guidelines.
Table 2 Knowledge competency of accountants affecting the quality of financial reports of SMEs in Nakhon Ratchasima province

<table>
<thead>
<tr>
<th>No.</th>
<th>Knowledge Competency of Accountants</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ethics (Y₄)</td>
<td>0.283</td>
<td>0.042</td>
<td>0.322</td>
<td>5.333*</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>Knowledge (Y₁)</td>
<td>0.264</td>
<td>0.050</td>
<td>0.310</td>
<td>6.665*</td>
<td>0.000</td>
</tr>
<tr>
<td>3</td>
<td>Skills (Y₂)</td>
<td>0.241</td>
<td>0.050</td>
<td>0.282</td>
<td>4.782*</td>
<td>0.000</td>
</tr>
</tbody>
</table>

n=283, Constant=0.849, R=0.815, R²=0.665, R² adj=0.661, S.E. est=0.320, F=182.386

*Statistically significant level at 0.05

In table 2, the results of stepwise regression reveal that 3 aspects of knowledge competency of accountants which were ‘ethics’ (Y₄), ‘knowledge’ (Y₁) and ‘skills’ (Y₂) statically affected the quality of financial reports of SMEs in Nakhon Ratchasima province, with significant level of 0.05. The percentage of the effect was 66.5 (R² = 0.665) with standard error of estimate of 0.320. But ‘Professional values’ (Y₃) was not affected the quality of SMEs’ financial reports in Nakhon Ratchasima province. This is probably that the accounting arrangements of SMEs, the small and medium-sized enterprises must rely on an accountant’s accounting office. The data obtained from the businesses may be incomplete. Therefore, accountants who are willing to work with integrity and work independently according to standards and etiquette of the profession with a sense of responsibility towards the society perform their work incompletely.

Conclusions and Discussion

As the result of research, Job environment and knowledge competency of accountants affected to quality of SMEs’ financial reports in Nakhon Ratchasima province, there are the conclusion as follows;

1. Overall generally, there was good level on job environment of SMEs in Nakhon Ratchasima province. Aspect of the consideration revealed that job environment was good level as all parts. Whereas, 1) research revealed that in the part of integrity and ethical values, encouraged accountants to perform with integrity, responsibility with prescribed standard and provided corporate communication. Encourage manpower to perform with moral & ethics behaviour, law, regulation and ethics. In addition, emphasized in perform with equitably consideration as professionalism, 2) the research revealed that in the part of management’s philosophy and operating style, encouraged using data to organization development and no action to break the laws. Emphasized in regularly reporting and following up the process also focused on non-intervention of
account performing in both defined the performing and result reporting, 3) the research revealed that in part of functional competency, encouraged persisted in accounting standard and accountant’s ethics, manpower development. Also emphasized in defined the desired characteristic of all positions clearly, 4) the research revealed that in the part of organization, job environment was emphasized in account reporting to direct supervisor, focused on clearly and properly of organization and hierarchy planning and considered by size and type of business. Also emphasized in defined the hierarchy, authority consignment and responsibility in clearly written and employed adequately & qualified manpower as allied with task complicated, time limited and budget, 5) the research revealed that in the part of authority consignment, job environment was good level as all parts. Emphasize in authority consignment, accountant’s responsibility and corporate communication. Focused on defined performing to new employee realized to responsibility and business expectation and authority consignment to accountant by considered by appropriation, skills, knowledge in writing, and 6) the research revealed that in the part of human resource policy, job environment was good level as all parts. Emphasize in knowledge evaluation, skill competency also training course for development continually. Moreover, promote talent management & career path. This research was be in accord with job environments concept of The Stock Exchange of Thailand (2005), Research of Khemphon Summart (2010); Uthairat Kaewku (2011) and Thatchaphon Phomthuean (2013) as stated that job environment was good level as all parts.

2. Knowledge competency of SMEs’ accountant in Nakhon Ratchasima province, overall in knowledge competency was outstanding level. Aspect of the consideration, knowledge competency was outstanding level as all parts. Whereas, 1) professional values - accountants concentrated on work with honesty and accurately, 2) ethics - accountants concentrated on work with carefully & ethical, 3) knowledge - accountants well understood in professionalism, focused on standard of operation understanding and operated by followed condition and professional standard procedure, and 4) skills - accountants well on interpersonal & corporate communication skill also good skill in analysis, considerate as professionalism. As analysis result revealed that knowledge competency of accountants allied with standard procedure of pre-education of being accountant and continuous education of International of Federation of Accountants, IFAC (Chainarin Weerasathawanitch, 2005) and accord with concept of Wanchai Kamjornmenukul (2007); Suppamitr Pinijkarn (2009) and Tiwakan Dankaw (2013) which been researched that knowledge competency was outstanding level.

3. Overall generally, there was good level on quality of SMEs financial, aspect of the consideration revealed that quality of financial reports was good level as all parts.
Whereas, 1) reliability - there was certainly and verified of book keeping, reliable of accounting information and audit financial report by auditor prior to submitted to board of committee, 2) understanding – information for the preparation of financial reports in conformity with generally accepted accounting principles. The description of accounting information for items that might provide misleading information. In the notes to the financial report adequately all. The disclosure of accounting policies and the proper method of financial reporting and the information were easy to understood, 3) comparability – preparation of financial statements by using consistency. The financial statement presentation can compare in each period and given appropriate data. The business can use the presentation to forecast financial position in the future. As the Accounting Standard, the business has disclosed about the change in accounting policy and the impact of the policy changed, and 4) relevance - business featured in the disclosure of the change methods or policies. Data presentation is suitable for financial statements users for decision making. Present appropriated financial report to financial statement users, to prepared information for estimation or assure error of previous assessment, to forecast future incident which result of research on quality of financial report allied with Accounting Framework (Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2009) and accord with concept of The Stock Exchange of Thailand (2006), Niphan Henchokechaichana, & Silp-porn Srijanphetch (2011) and research of Sunanta Pasalao (2012) which been researched that was outstanding level.

4. Job environments in functional competency, integrity and ethical values, authority consignment affected to quality of SMEs financial reports. Statistically significant level at 0.05 (53.9%) which accord with research of Thatchaphon Phomthuean (2013) found that in the job environment in authority consignment affected to the internal report quality of internal auditors of the Sub-district Administrative Organization in Nakhon Ratchasima Province.

5. Knowledge competency of accountants in ethics, knowledge and skills affected to quality of SMEs financial report. Statistically significant level at 0.05 (66.1%) which be as standard procedure of pre – education for accountancy and International Federation of Accountants, IFAC (Chainarin Weerasathawanitch, 2005) which defined that professional have to be ethics, knowledge competency allied with Accounting Framework (Federation of Accounting Professions under The Royal Patronage of His Majesty the King, 2009), stated that the qualitative characteristics of financial reports which was benefits to financial statement users have to provide reliable information and without error and inequality.
Suggestions

The research in accountants’ job environments and knowledge competency that affected to the quality of financial reports of SMEs in Nakhon Ratchasima province was concluded as follows;

1. Revealed that job environment in integrity and ethical values, management’s philosophy and operating style, functional competency, organization, authority consignment, human resources policy related with quality of financial reports of SMEs in Nakhon Ratchasima province. Moreover, job environment in functional competency, integrity and ethical values and authority consignment affected to quality of financial reports as well. Hence, suggestion of this research as follows;

   Functional competency affected to quality of SMEs financial reports in Nakhon Ratchasima province. Hence, entrepreneurs should keep in accounting standard and ethical principle, encouraged accountant for their proficiency improvement and for their being acceptable from the public. Also, the entrepreneurs should emphasize in defined the desired characteristic of all positions clearly and encouraged in budget supporting to develop functional competency.

   Integrity and ethical values affected to quality of SMEs financial reports in Nakhon Ratchasima province. Hence, entrepreneurs should encourage all employees to be committed for develop positive attitude about the organization. Including an opportunity to ask questions and listen to suggestions to improve the way they work. It should focus on the operation that caused the objectivity of judgment as a professional that practices.

   Authority consignment affected to quality of SMEs financial reports in Nakhon Ratchasima province. Hence, entrepreneurs should emphasize in follow up system, performance evaluation continuous and declared the performance. Also emphasize in human resources management allied with proper budget and sizing to get highest benefits in performing. Moreover, organization should support in authority consignment to accountants which allied with skills and knowledge competency in clearly written that helps quality of financial report is qualified.

2. Revealed that knowledge competency of accountants in ethics, knowledge and skills affected to quality of SMEs financial reports in Nakhon Ratchasima province. However, suggestion of this research as follows;

   Ethics affected to quality of financial reports of SMEs in Nakhon Ratchasima province. As a consequence, accountants should using consideration by observed as professionalism, work independence, objectivity and carefully to maintain performance standard.

   Knowledge affected to quality of financial report of SMEs in Nakhon Ratchasima province. Therefore, accountants should well understand about work environment which
affected to accounting profession and accountant should practice and develop continuously in accounting profession. Moreover, accountants should focus on given conditions and professional standard procedure.

Skills affected to quality of SMEs financial reports in Nakhon Ratchasima province. For this reason, accountants should have significant skill of performance, skill of learning innovation continuously, analysis and considerate as professionalism.

3. Revealed that quality of SMEs financial reports in Nakhon Ratchasima province was good level as all parts. To qualifying quality of financial reports, SMEs should follow as follows;

   Understandability, entrepreneur should prepared financial reports in conformity with generally accepted accounting principles. In addition, the accounting information shall be described for the misleading information into the notes of financial reports adequately. Besides, the financial statement should be appropriately prepared for users.

   Relevance, entrepreneur should focuses on revealed information in anytime of procedure transformation or policy and present appropriated financial report to the users. Also, the financial statement shall be emphasized in data which might be affected with risk evaluated and business opportunity.

   Reliability, entrepreneurs should certainly and verified of book keeping, reliable of accounting information and auditing financial reports by auditor prior to submit to board of committee.

   Comparability, entrepreneurs should prepared financial statements by using consistency. The financial statement presentation can compare in each period and given appropriate data. The business can use the presentation to forecast financial position in the future.

4. Revealed that job environment and knowledge competency of accountants related with quality of SMEs financial reports in Nakhon Ratchasima province in the positive ways at rather high – high level. Thus, Entrepreneurs should provide training course to develop manpower to performing as efficiency. Also defined the hierarchy, authority consignment to minimized procedures and supported accountants to work independently, non-intervention of management for good quality of financial reports.

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