

DOCTORAL THESIS SUMMARY

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The gap in the application of management accounting methods in enterprises in Poland

Keywords: methods of management accounting, current application, desired application, gap in the application

The activities of modern organisations are increasingly influenced by the constantly changing environment, which is an important premise for the development of management accounting/controlling. Being under the influence of changes occurring in business units and their environment, controlling systems should be subject to adaptation to new circumstances. The dynamic development of management accounting is reflected in the emergence of new concepts and methods. In recent years, there has been an increasing demand for more effective and efficient management tools that increase the accuracy of decisions and contribute to the fulfilment of strategic objectives. Despite the availability of new and more advanced management accounting methods and the awareness of the benefits resulting from their implementation, they are not always widely used in organisations.

Management accounting is the subject of many publications and scientific studies. The empirical research conducted so far has focused on the extent to which controlling methods are used in practice, the factors influencing the application and use of individual methods as well as the barriers to their implementation. The extent to which management accounting methods are applied in the practical activities of organisations is definitely one of the most frequently discussed topics in the field of controlling (e.g. Yazdifar, Askarany, 2010; Abdel Al, McLellan, 2011; Joshi et al, 2011; McLellan, Moustafa, 2011; Albu, Albu, 2012; Yalcin, 2012; Gullkvist, 2013; Armitage, Webb, Glynn, 2016; Cuzdriorean, 2017; Calu et al, 2017; Bawaneh, 2018; Hussein, 2018; Odia, 2019). Based on the research results to date, it can be concluded that the level of the use of management accounting methods is highly varied and is conditioned by many factors. It is also noticed that organisations implement modern controlling methods to a still small extent. Most units use mainly traditional methods.

The current degree of application of individual management accounting methods has been rarely compared to the one desired by users in the research presented in previous publications in the field of controlling (Abdel-Kader, Luther, 2006; Yazdifar, Askarany, Askary, 2008; Zarzycka, Michalak, 2013; McLellan, 2014; Ashfaq et al, 2014; Pavlatos, Kostakis, 2015; Cuzdriorean, 2017; Hussein, 2018). The results of these studies indicate that some management accounting methods, despite their high relevance in the process of organisational management, are not implemented in business units or their degree of application is low.

Controlling methods have been the subject of many scientific studies that aimed at analysing the extent of their application, determining changes in the functioning of the existing tools or the scope of implementation of new concepts.

The number of empirical studies carried out to date in the field of the above-mentioned subject matter is significant; however, especially in Poland there is a lack of analyses aimed at comparing the current and the desired degree of application of management accounting methods in organisations, which, in a further context, would make it possible to examine the gap in the application of these methods. This constitutes a research gap.

The main objective of the research conducted by the author of this dissertation was to identify the gap in the application of management accounting methods, understood as the difference between the current degree of application of these methods in organisations in Poland and the degree desired by the users. The achievement of the following specific objectives has enabled the fulfilment of the main objective:

1. Analysis of the scope of application of management accounting methods in organisations on the basis of empirical studies conducted so far.
2. Determination of the current degree of application of management accounting methods in organisations in Poland on the basis of the author's own research.
3. Analysis of factors influencing the degree of application of management accounting methods in organisations in Poland.
4. Assessment of the desired degree of application of management accounting methods in organisations in Poland.

Based on the literature of the subject, the main research hypothesis was formulated as follows: The current degree of application of management accounting methods in organisations in Poland does not differ significantly from the desired degree of their application.

The dissertation has been structured to achieve the research objectives and to verify the main hypothesis. The work consists of an introduction, four chapters and a conclusion. The following research methods were used: literature research and survey.

The literature research consisted in analysing the literature in the field of management accounting, in particular publications dealing with controlling methods, their evolution and application in practice. The literature review included mainly articles written in Polish and English, published in the most important journals, monographs and papers presented at scientific conferences. 111 Polish publications were analysed, including 84 scientific articles, 26 monographs or academic textbooks and 1 study of the CIMA organisation. The analysed publications also included 167 English-language items, including 147 scientific articles, 16 monographs, 3 items constituting post-conference materials and 1 study by the IMA organisation. Methods used in the literature research included critical analysis, generalisation of other authors' views and formulation of conclusions.

The survey aimed to determine the frequency of application of selected 21 management accounting methods in organisations in Poland at the time of the analysis and to determine how often these methods should be used according to professionals from the field. Additionally, the study analysed the impact of contextual factors on the degree of application of management accounting methods in the units operating in Poland. The questionnaire was addressed to employees of accounting, management accounting or controlling departments in organisations operating in Poland, postgraduate students and participants of various specialist training courses on management accounting/controlling.

The study of the gap in the application of controlling methods in organisations in Poland was conducted in 2020. When carrying out the research, the following techniques were used: the auditorium survey technique (questionnaires were distributed to respondents in person in paper form) and the CAWI technique (questionnaires were delivered to respondents in electronic form via email). A total of 161 completed questionnaires were obtained, out of which 145 were qualified for further analysis after logical verification. Descriptive statistics, non-parametric Kruskal-Wallis tests and the non-parametric Wilcoxon signed-rank test were used to analyse the collected research material. The analysis was performed using STATISTICA 13.3 software.

Based on the analysis of the current application of the researched management accounting methods, it can be concluded that the organisations operating in Poland made the greatest use of operational methods in practice, such as financial performance measures, cost-volume-profit analysis, full cost accounting, deviation analysis and operational budgeting. On the other hand, such methods as product life cycle costing, target costing and activity-based costing were used to the smallest extent.

An index of the total application of management accounting methods was constructed in the study, which presents the level of use of the 21 analysed methods. This allowed the analysis of the general application of controlling in the practice of the discussed organisations. Out of 145 analysed units, only 16.55% used management accounting methods to a great extent. In most organisations, controlling practices were applied only at an average level.

The survey, in which the current and the desired degree of use of selected management accounting methods were compared, identified an application gap in organisations in Poland for 20 out of 21 methods analysed. According to the respondents, these methods should be used in practice with greater frequency than they were at the time of the survey. Only in the case of operational budgeting the difference between the current and the desired state was not statistically significant, which means that there was no gap in the application of this method in the surveyed units.

The relationship between variables that characterise organisations and the level of application of management accounting methods was also examined. The results of the analysis indicated that the origin of capital, the size of employment, annual sales revenue, the use of advanced technologies, the level of product diversity and listing on the stock exchange influenced the frequency of use of the researched controlling methods. On the other hand, the type of activity of an entity, the period of operation of a unit and the competitiveness in the industry market did not affect the level of application of management accounting methods in the researched organisations.

The conclusions of the study broaden the knowledge on the level of the use of management accounting methods in organisations in Poland, their significance for the management process and the impact of situational factors on the practical application of these methods. Determining the current and desirable degree of application of controlling methods contributed to the identification of those practices that are important for the management of a business entity and that are not implemented in organisations or are applied only to a small extent. The identification of the gap in the application of most of the analysed management accounting methods indicates the necessity to spread information on the significance of these tools for the unit management process and on the benefits resulting from their implementation.