

Research and Apply ABC Accounting Method in Practice: The Case of Manufacturing Company in Vietnam

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Abstract

The study was conducted for the purpose of giving some recommendation for the businesses that want to apply ABC accounting method in practice. Data were collected from managers at 162 manufacturing companies in VietNam. Basing on quantitative research method, the study determines the capability of successfully apply the ABC accounting method is influenced by six factors: business strategy of the business; Financial resources of the business; Human resource level; Business characteristics of the business; Organization and management characteristics of the enterprise; Corporate culture. Through findings, some recommendations are given for improving the ability to successfully apply the ABC accounting method in the future, helping VietNameese Firms to enhance their competitive advantage in the integration period.

Keywords: Accounting, cost management, manufacturing Vietnam

1. Introduction

Globalization, international economic integration and trade liberalization have been emerging trends in the contemporary world economy. The process of deepening, broadening and effective integration of Vietnam into the world economy has brought about great achievements for the country in general as well as enterprises in particular. Vietnamese businesses have more opportunities to enter the global market, to integrate deeper into the world financial market to access foreign capital inflows. However, the level of competition is getting fiercer, businesses not only compete with domestic firms but also with foreign firms. In this context, cost management accounting is very important, a key tool for executives to exercise executive control and decision-making functions for current operations. of the business, while establishing the scientific basis for future activities.

It is said that cost management accounting information is one of the important weapons, helping businesses create competitive advantage in the integration period. Therefore, the pressure placed on accountants to provide useful cost information, the correct and full identification of production costs is becoming increasingly important for cost management accounting. Before that situation, many businesses have been deployed using ABC method, because of the superiority of this method. However, the level of success when applying this method to the reality in the business is relatively different. Since then, management accounting needs to make changes and improvements in methods and techniques to fully meet the cost requirement of business executives, especially applying modern management methods.

2. Literature Review

In developed countries, the method of activity-based Costing (ABC) has received much attention from both academics and business executives because of its superiority. The benefits of ABC's accounting method and its impact on the company's economic performance have driven many empirical research, and it is considered one of the most cost-effective accounting tools. in developed countries (Ahadi and Azar, 2016). In the field of research, since the 1990s of the twentieth century until now there are quite a number of related studies, in addition to popular research such as theoretical studies, research on the practical application The ABC approach to businesses in different sectors, the study of factors affecting the ability to successfully apply the ABC method in enterprises is also of great interest to scholars (Angelopoulos and Pollalis, 2017). There have been many domestic and foreign studies related this topic, some of them such as:

Anderson's study (1999), which reviews the cost-based activity-based system at General Motors, interviewed data collected from 21 companies. Research has identified the groups of factors that affect the implementation and use of the ABC accounting methodology. These include: (1) Organizational factors such as the support of senior managers, training to apply the activity-based costing system, (2) contextual factors such as the level of competition, the suitability of managerial decisions, the adaptation of the current system.

A study by Khalid (2005), which examines US manufacturing firms, has identified the groups of factors that affect the success of the ABC methodology: (1) Organizers like the support of senior managers, non-accountant owners, staff training (2) contextual group factors such as the usefulness of cost information, the presence of Information technology and the size of the company.

Research by Majid and Sulaiman (2008), which studies the use of ABC accounting in multinational companies in Malaysia, has highlighted the benefits of using cost-based methodology Dong. Research also shows that, although this method is not widely used, they recognize it as a useful tool for improving the efficiency of the company. Some elements needed to ensure the success of the ABC method include: (1) The

organizational structure should be designed in a horizontal pattern in which the production process is divided into activities. (2) The key responsible person in the ABC project must have sufficient capacity and extensive knowledge of information technology, (3) cost information on activities, (4) the support of executives and shareholders.

A study by Fei and Isa (2010) shows that factors such as behavior, organization, and technology are key factors in the success of ABC accounting. In addition, factors such as the role of culture and the structure of the organization also significantly affect the ability to successfully apply the ABC accounting method to the enterprise.

Upping and Oliver (2011) conducted a survey of 78 public universities in Thailand, showing that 49.21% of all schools responded that the use of ABC accounting was necessary and Effective in financial management. The study also found that the lack of appropriate software, data collection difficulty and the level of accounting staff were key barriers to the successful application of ABC accounting.

The research by Majid and Ali (2013) has shown that even in small firms, the potential for product cost distortion is real if traditional costing is used. Suggested application of ABC accounting method to the steel manufacturing enterprises. Research has also shown the factors that influence the applicability of the ABC method, including: the proportion of costs, production processes, types of products, inputs, finished products and sales. product inventory.

In Vietnam, the research related to ABC accounting method is mainly research in theory and testing applied in some enterprises. Recently, there have been a number of studies concerning the factors affecting the applicability of the ABC accounting methodology, such as, a study by Anh (2012) on factors affecting the method of determining activity costs. Factors in the company include: Behavior and organization factors, technical factors, corporate structure factors, and corporate culture factors. However, the influencing factors in the research model have not been tested by the authors to examine how each factor influences the success of the ABC method.

Uyen's study (2016) also studied the factors that influence the application of cost accounting based on cost management in companies listed on the Vietnamese stock market. Research has also shown the factors that influence the ability to apply the ABC accounting method: Gross Revenue, Product Diversity, and Cost Structure. This study, however, is limited to assessing whether or not there is a correlation between these factors and the likelihood of successful implementation of the ABC methodology. Cost structure at a rate how the business can successfully apply the ABC method.

In short, in the past time in the world and in Vietnam there have been quite a lot of factors that affect the ability to successfully apply ABC accounting methods to different types of enterprises. However, studies of factors affecting the success of the ABC method are mainly conducted in developed countries, with very few studies on this topic being conducted in developing countries and especially in Vietnam. Faced with the trend of openness and global competition, Vietnamese businesses need to consider adopting modern cost management methods to gain advantage. Therefore, research on factors affecting the success of ABC method in Vietnamese enterprises is really necessary. There are a small number of studies in Vietnam that have studied the factors that influence the success of the ABC method, but these studies are limited to assessing whether correlations between individuals these affects the ability to manipulate the ABC method without measuring how specific the impact. Therefore, the authors conducted this study to investigate and assess the impact of each factor on the ability to successfully apply the ABC method, which is inherited but not identical with previous studies.

3. Theoretical Framework and Research Hypotheses

3.1. Theoretical Framework

The views on the ABC accounting approach suggest that the ABC accounting approach emphasizes activities as primary cost collectors. The cost of these activities will then be allocated to the cost object according to the number of activities that these users have used (Oseifuah, 2014). The ABC accounting method overcomes the disadvantages of traditional pricing, providing more flexible and useful information for decision makers. The ABC approach is not only aimed at accurately pricing costs to provide information for financial accounting but also aims to provide cost information to decision makers (Ruhanita and Daing, 2006). Although this method has many advantages over traditional methods. However, the reality is that the level of success of enterprises when applying this method is not absolute. To explain the degree of success when using this method, the study employed the following theories:

Uncertainty theory or random theory: According to Spekle (2003), uncertainties affecting the design of a business also affect the technical tools of management accounting. In other words, an appropriate corporate management accounting system depends on the characteristics of the business and the business environment that is operating. This shows that it is not possible to develop a modeling paradigm for the use of accounting methods for all businesses. This means that choosing the right ABC accounting method should be appropriate for each business, with the internal and external environment in which the business operates. This theory is chosen by

many researchers to study the uncertainties affecting the application and implementation of the ABC accounting methodology in the enterprise. Typical examples are Anderson (1999), Khalid (2005), Majid and Ali (2013). Most studies suggest that the success of applying ABC accounting to the different firms is different, but also the degree of success when applying to a business but at different stages of development also different. Factors affecting the success rate when using the accounting method ABC include Business environment, technology, structure, scale, strategy and culture of the business.

Representation theory: The theory is that the relationship between shareholders and the manager is a representative relationship - or trust relationship (Spekle, 2003). Both shareholders and company managers want to maximize their benefits, so it is reasonable to believe that the company manager will not always act in the best interest of the employer, ie the shareholders. The conflict then arises when the information is incomplete and asymmetric between the subject and the agent in the company, because both sides have different interests. Therefore, the level of successful use of the ABC method will depend on the relationship between business owners, executives and outside investors, such as: remuneration mechanisms, monitoring mechanisms, the relationship between the shareholder and the manager, between superiors and subordinates.

Sociological Theory: Sociological Theory focuses on how the organization is established through interactions between people, organizations and society. Covaleski et al. (1996) argue that the existence of a socially acceptable organization of acceptable behavior is required to achieve a high level of productive efficiency. According to sociological theory, the efficiency of an enterprise is not only an internal problem of the enterprise but it is influenced in a general social context, it is related to regimes and policies. Current and resolved relationships with employees in the business. Therefore, the target set by the enterprise must be in the common goal acceptable to the society. This is in line with the trend of sustainable development and the benefit of the enterprise must be linked to the common interests of the society. According to this theory, the ability to successfully apply the ABC accounting method is influenced by factors such as: social and political power, social policies and modes of solving workers' interests. .

Relationship Between Cost & Benefit: The theory of cost-benefit relations shows that the benefits derived from the provision of accounting information must be considered in relation to the expenditures. Thus, the level of successful application of the ABC method must be taken into account between the incremental benefits of implementing ABC accounting method to business and social and the additional costs that enterprises and communes have to be taken into account when applying this approach (Covaleski et al., 1996).

3.2. Research Hypothesis

Based on a review of international and national empirical studies of factors affecting the successful application of the ABC accounting methodology, and the study of related theories. The research team synthesizes the factors that influence the ability to successfully apply the ABC accounting method to Vietnamese enterprises as follows:

Firstly, business characteristics of enterprises: Previous studies all said that business characteristics of enterprises affect the degree of success when applying the ABC accounting method. Anderson's (1999) study, by Majid and Ali (2013), shows that firms that produce differentiated products, diversified products, The higher the fee for business control, the higher the quality and quantity of the manager. Moreover, the more complicated the production process is, the more difficult it is to determine the correct and sufficient cost. Therefore, accountants will need to find more advanced and useful tools. Therefore, the ability to apply ABC accounting method is more successful. And vice versa, for businesses that only produce one type of product, the simple production process, the ability to successfully apply the ABC accounting method is very low. Therefore, the hypothesis of the first factor influencing the implementation of the ABC method is:

H1: The more complicated a business is, the more likely it is to use the ABC method.

Second, organizational characteristics of the enterprise management: Related studies can be cited as, Anderson's (1999) study has identified the groups of actors involved in the management organization, including: The support of senior managers, training to apply the system to determine the cost-per-action impact and strongly influence the success of the ABC method. Khalid's (2005) study, also pointed out that the support of senior managers, the training process and the adequacy of resources are important factors in the success of the ABC approach. According to the study by Majid and Sulaiman (2008), organizational factors such as support from senior management, employee training or non-accountant ownership will affect each phase of the process. The application of accounting methods ABC. According to Upping and Oliver (2011), identifying managerial factors affecting the ability to successfully apply the ABC accounting methodology includes: Organizational size and pattern, number of management levels, level Authorization and responsibility, centralization or decentralization, number of parts, modern level of existing management equipment, number of management and supervisory staff. So, the second factor hypothesis affecting the ability to successfully apply the ABC accounting method is:

H2: The greater the degree of empowerment for managers at all levels, the more likely they are to successfully implement the ABC approach.

Third, the human resource level of the business: Research by Anderson (1999), study by Upping and Oliver (2011), study by Majid and Ali (2013), said that the level of training of administrators at all levels and especially the understanding of The ABC accounting method strongly influences the ability to successfully apply the ABC accounting method. The study by Bajus and Stasova (2014) suggested that the level of human resources, especially the accounting human resources in the enterprise, would significantly affect the ability to handle system analysis situations, Identify cost objects by activity or issues related to costing per activity or allocation. Therefore, the theory of the third factor affecting the ability to successfully apply the ABC accounting method is:

H3: The higher the level of human resources is, the higher the likelihood of successful implementation of the ABC method

Fourthly, the financial resources of the business: Related studies may be referred to as the study by Upping and Oliver (2011) and study by Majid and Ali (2013) New accounting methods, the organization of training for the whole unit must be implemented, so enterprises need to have sufficient resources in terms of time and funds to do this. The study by Bajus and Stasova (2014), argues that, when implementing the ABC method of cost allocation, significant quantitative analysis is required, which necessitates equipping the machine. The processing, and the software must be written specifically for the company according to the characteristics of production and business. Thus, the hypothesis about the fourth factor affecting the ability to successfully apply the ABC accounting method is:

H4: The stronger the financial resources of the business, the greater the likelihood of successful implementation of the ABC method

Fifth, the business strategy of the business: Related research can be referred to as Khalid (2005) study that when the proportion of fees is relatively large in the total cost of the company The need to use the ABC method is enhanced to ensure the accuracy and usefulness of cost information provided for decision-making purposes. Upping and Oliver (2011) argue that the higher the competitive performance of the business, the more focused the strategy is, the more likely it is that the ABC approach will succeed. According to research by Majid and Ali (2013), there is a strong connection between the development of new and new markets and the need to apply ABC accounting. Thus, the fifth factor affecting the ability to successfully apply the ABC accounting method is:

H5: The more specific, detailed, flexible the business strategy, the more successful the ABC method is.

Sixth, Corporate Culture: Anderson's Research (1999) and Bajus and Stasova's (2014) study show that observational variables of corporate culture, such as cultural support and cultural governance. Reasoning the goal affects the ability to successfully apply the ABC accounting method. Thus, the hypothesis about the sixth factor affecting the ability to successfully apply the ABC accounting method is:

H6: The stronger the corporate culture is, the better the ability to successfully apply the ABC accounting method

Table 1: Research Hypotheses

Hypothesis	Description	Sign Expectation
H ₁	Relationship between the complexity of the business characteristics and the ability to successfully apply the ABC accounting method	+
H ₂	The relationship between the degree of empowerment for managers at all levels and the ability to successfully apply the ABC accounting approach	+
H ₃	The link between the level of human resources and the ability to successfully apply the ABC approach	+
H ₄	The connection between the financial resources of the business and the ability to successfully apply the ABC method	+
H ₅	The level of detail of the business strategy and the ability to successfully apply the ABC approach	+
H ₆	Cultural support in the enterprise and the ability to successfully apply the ABC accounting method	+

Source: Synthesis of the research team

4. Research Methodology

4.1. Data Collection

The sample selected for the survey was the CFO, Chief Accountant, and General Accountant at companies with knowledge of modern governance methods, and in particular, the research team focused on the customer of independent auditors. During the survey period from 1/2017 to 3/2017, the number of questionnaires were sent 285, and the number of valid questionnaires were 234. A preliminary survey was prepared and sent to the survey participants with the support of the Google Forms Access Application at: <https://docs.google.com>.

4.2. Variable Measurements

The study uses a 5 point Likert scale with (1 is very low to 5 is very good) to measure the success rate of using

ABC accounting. Scales of independent and dependent variables are constructed on the basis of the results of previous studies and are shown in Table 2.

Table 2: Scale of research concepts

STT	Say right	Encode
I	Business characteristics of the business	C
	The richness of the product	C1
	The degree of difference between types of products	C2
	The level of cost incurred by SXC accounts for the total cost	C3
	Variety of charges incurred	C4
	The degree of complexity of the source of costs	C5
II	Management characteristics of the business	O
	Level of support of senior managers	O1
	The level of trust of the owner with managers at all levels in the business	O2
	Variety of levels of governance	O3
	The degree of decentralization between administrators at all levels	O4
	Authorization level and responsibility for managers at all levels in the business	O5
	The ratio of management and supervisory staff to total staff in the business	O6
III	Human resource level	N
	The level of training in theory involves the ABC accounting method	N1
	The sense of learning the experience from the development company	N2
	Awareness of the importance of ABC accounting methods	N3
	The need to use information provided by the ABC accounting method	N4
IV	Financial resources of the business	P
	The ability to allocate time for training and retraining staff	P1
	Ability to provide training costs	P2
	Software support capability	P3
	Ability to meet budget for implementation	P4
V	Business strategy of the business	S
	Availability with cost structure change strategy, towards cost orientation	S1
	Availability with a competitive development strategy of advantage	S2
	Readiness level with new development strategy	S3
VI	Corporate culture	L
	The level of support of managers at all levels with employees in the business	L1
	The level of mutual support among employees in the business	L2
	Consensus on the development goals of the business	L3
	Psychology is willing to change the new accounting methods	L4
	The level of confidence with the decisions of the corporate executives	L5
VII	Ability to successfully apply the ABC accounting method	A
	Ability to manipulate cost information to improve the quality of decisions	A1
	Ability to identify activities in the business	A2
	Ability to carry out costing by activity	A3
	Ability to choose criteria to allocate the cost of each activity	A4
	Ability to use information technology to perform accounting work	A5

Source: Synthesis of the research team

4.3. Analytical procedures

Accurate measurement of reliability, convergence, and discriminant validity by Cronbach's Alpha and the discovery factor analysis (EFA). Next, the paper uses the multiple regression analysis model to determine the influence of factors on the ability to successfully apply the ABC accounting method. Coefficients; the level of fit of the model (Adjusted R Square, ANOVA); Multiple Collinearity; Autocorrelation is performed to confirm the degree of impact, suitability of the model, and to construct a regression of the relationship between the dependent variable and the independent variable.

5. Results and Discussion

5.1. Assess the current status of cost allocation in enterprises

As can be seen from Table 3, the sample includes production, trade, services, construction, agriculture, forestry and aquaculture, in which the manufacturing and trading companies Services accounted for most of the sample (production accounted for 45.06%, services 25.31% and trade accounted for 21.60%). Basically, companies are

currently using the same criteria to allocate to the total production costs incurred in the period, the criteria usually chosen by enterprises such as: Production or consumption in the period (accounted for 24.69%), distributed according to the total direct material costs incurred in the period (accounting for 25.31%), the total direct labor cost incurred in the period (accounted for 26.54%), according to the number of employees in the period (18.52%), and in particular, a very small number of companies (8/162 companies accounted for 4.94%). Use more than one criterion to allocate the general overheads incurred during the period, and is based on the dependent variable and the source of the cost. Statistical results on satisfaction with the criteria for allocating used costs show that 4 out of 162 firms (2.47%) are dissatisfied with the current cost allocation method and 44% of businesses want to improve the new methodology to ensure the accuracy of cost information.

Table 3: Describe the research sample

	Criterion	Nuber	Proportion%
Structure type of research sample	Produce	73	45,06
	Commerce	35	21,60
	Service	41	25,31
	Build	9	5,56
	Agriculture forestry seafood	4	2,47
	Total	162	100,00
Cost allocation criteria are used in the enterprise	Production output, consumption	40	24,69
	Cost of raw materials directly	41	25,31
	Direct labor cost	43	26,54
	Number of labor hours	30	18,52
	Use more than one criterion	8	4,94
	Total	162	100,00
Satisfaction with the cost allocation criteria is in use	Very pleased	4	2,47
	Satisfied	82	50,62
	Needs improvement	72	44,44
	Unsatisfied	4	2,47
	Total	162	100,00

Source: Synthesis of the research team

5.2. Evaluate the reliability and validity of the scales

Reliability analysis of each scale: To analyze the reliability of each scale, the study conducted Cronbach's Alpha test for 6 independent variables with 27 observational variables in the model. Two observational variables were excluded from the study model, the remaining 25 variables met the criteria. The dependent variable scale consists of five observation variables and all five variables ensure reliability. Thus, the study model consisted of 6 independent variable scales with 25 observation variables and 1 dependent variable scale with 5 observed variables introduced for the next step, exploratory factor analysis. The sample size of the study was 162 five times larger than the number of observation variables used in the study, so the sample was suitable for exploratory factor analysis (Nguyen, 2013).

Detection factor analysis (EFA) for independent variables: After introducing 25 observation variables of 6 independent variable scales through Variables to perform EFA analysis. The team conducted Bartlett's test and KMO tests to evaluate the relationship between the variables. The results of the test are as follows: (1) Bartlett's test result is 1,313,038 with mean Sig. = 0.000 < 0.05, rejecting the Ho hypothesis (Observations of independent variables are not correlated in magnitude). Thus, the hypothesis of the factor model is inappropriate will be rejected. This proves that the data used for the study is perfectly appropriate. (2) The KMO (Kaiser - Meyer - Olkin) test had a result of = .765 > 0.5, the sample size of the study was 162, so that the data were consistent with the EFA analysis. The results can be seen from table 4.

Table 4: Results of reliability testing, EFA of independent variables

Concept	Seaobserve	Rotated Component Matrix						Comprehensive Reliability	Comprehensive Reliability
		Component							
		1	2	3	4	5	6		
Business characteristics	C1	.904						0,735	30.018%
	C3	.821							
	C4	.749							
	C5	.619							
Organizational characteristics management	O1		.826					0.782	44.900%
	O2		.780						
	O4		.712						
	O5		.703						
	O6		.624						
Human resource level	N1			.698				0,736	54.027%
	N2			.676					
	N3			.624					
	N4			.615					
Financial resource	P1				.771			0,697	61.972%
	P2				.743				
	P3				.701				
	P4				.665				
Business strategy	S1					.769		0,667	68.628%
	S2					.703			
	S3					.603			
Corporate culture	L1						.778	0,713	73.806%
	L2						.764		
	L3						.704		
	L4						.685		
	L5						.601		

Source: Synthesis of the research team

Exploratory factor analysis (EFA) for dependent variables: Carry out 5 variable observations of dependent variable through Variables to perform EFA analysis. Performing similar tests, we have perfectly matched research data to perform multivariate linear regression. The results can be seen from table 5.

Bảng 5: Results of reliability analysis, EFA dependent variable

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.786	
Bartlett's Test of Sphericity	Approx. Chi-Square	1341.258
	df	105
	Sig.	.000

Biến quan sát	Encode	Component	Comprehensive Reliability	Variance Explained
Ability to manipulate cost information to improve the quality of decisions	A1	0.795	0.812	56,3%
Ability to identify activities in the business	A2	0,807		
Ability to carry out costing by activity	A3	0.786		
Ability to choose criteria to allocate the cost of each activity	A4	0,818		
Ability to use information technology to perform accounting work	A5	0.679		

Source: Synthesis of the research team

5.3. Build and test the research model

The study uses the Multiple Regression Analysis model to determine the influence of each factor on the ability to successfully apply the ABC accounting method to Vietnamese enterprises. The results can be seen from table 6. To test whether the model satisfies the non-regression model and whether the independent variables affect the dependent variable, the ability to successfully apply the ABC accounting method, the study performed the following test.

Coefficients: The t-test of independent variables is complete, timely, and reliable. Sig. All <0.05 (Coefficientsa table), 6 independent variables correlated and significant with dependent variable ability to

successfully apply ABC accounting method with reliability above 98%.

Multiple Collinearity: Vif in the Coefficients table is <10. Conclusion There are no hyperbolic phenomena in the study model.

Adjusted R Square (ANOVA): F-test of independent variables, timely, reliable, valuable. Sig. <0.05 (Anovab table). Dependent variables are explained by six independent variables and the variability of the independent variables of the business characteristics of the enterprise, the organization's management characteristics, human resources, financial resources Business and corporate culture and corporate culture account for 73.8% of the change in access to foreign investment. At the same time, the variation of the independent variable if added would explain 76.1% of the dependent variable.

Autocorrelation: Observation n = 162, parameter number k = 6, significance level 0.01 (99%). Look at the Durbin - Watson statistics table with dL (statistic below) = 1,543 and dU (statistical value above) = 1,708, dU = 1,708 <d = 1.835 (Model Summaryc table) <(4 - dU = 2.292) => There is no autocorrelation between the residuals in the model, the meaningful model.

Bảng 6: Results of multivariate linear regression analysis

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.119	.121		5.871	.000		
	C	.257	.052	.291	3.962	.000	.314	1.184
	O	.239	.056	.163	3.644	.000	.443	2.419
	N	.298	.051	.228	4.450	.001	.645	1.901
	P	.304	.076	.256	4.167	.000	.456	3.167
	S	.376	.045	.267	4.909	.000	.317	4.234
	L	.226	.126	.298	4.659	.002	.389	2.341

a. Dependent Variable: Ability to successfully apply the accounting method ABC (A)

ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	69.139	8	13.740	20.549	.000 ^a
	Residual	102.354	69	.417		
	Total	171.493	77			

a. Predictors: (Constant): SXKD (C), TCQL (O), TĐNL (N), NLTC(P), CLKD(S), VHDN(L)

b. Dependent Variable: Ability to successfully apply the accounting method ABC (A)

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Watson
					R Square Change	F Change	df1	df2	Sig.F Change	
1	.658 ^a	.761	.738	.49031	.759	23.216	8	162	.000	1.835

a. Predictors: (Constant): SXKD(C), TCQL(O), TĐN (N), NLTC(P), CLKD(S), VHDN(L)

Source: Synthesis of the research team

5.4. Discussion

Through the survey, the results of the analysis with the sample of 162, sample size in accordance with the requirements set out. Analysis of the obtained sample data adjusted the observed variables for the study after conducting a reliability assessment using the Cronbach Alpha coefficient. Along with performing the EFA Discovery Factor Analysis to evaluate the convergence and differentiation values of the scale, to ensure that the variables included in the formal study meet the best requirements. The results show that the model is perfectly suited to perform multivariate linear regression. As expected, the variables in the model have a strong positive impact on the ability to successfully apply ABC accounting method to Vietnamese enterprises. The study accepts all six hypotheses H1, H2, H3, H4, H5, and H6. The regression equation is written as follows.

$$A + 0.257 * C + 0.239 * O + 0.298 * N + 0.304 * P + 0.367 * S + 0.226 * L + 1.119$$

Through the tests, it can be confirmed that the ability to successfully apply the ABC accounting method to Vietnamese enterprises is influenced by six factors in decreasing order as follows: (1) enterprise; (2) financial resources of the enterprise; (3) human resources; (4) Business characteristics of enterprises; (5) characteristics of the organization and management of the enterprise; (6) Corporate culture.

6. Conclusion and Recommendations

Research results show that the level of satisfaction of the corporate executives with the current cost allocation method in the enterprise is not really high, so in the future the study to improve and apply the Modern management methods are essential to help businesses improve their resource efficiency. With the advantages advantages, using ABC method is the trend of enterprises to enhance competitiveness in the integration trend. So businesses are researching the implementation of ABC accounting method into reality, what elements should be considered. From the results, the research team proposed some recommendations as follows:

First, among the factors affecting the ability to successfully apply the ABC accounting methodology, the strategic factor of the business enterprise is the most significant influence. To develop and enhance competitive advantage, the company needs to look at internal factors, which motivate the development of the company and vice versa. The strategy towards cost structure, the strategy of cultivation of advantages in price, service, strategy of new products is considered quite suitable. Under these conditions, the use of ABC method is necessary to enhance the competitive advantage and maintain the pace of development of the business.

Second, the financial resources of enterprises are also significant factors in the ability to successfully apply the ABC accounting method. Therefore, when considering the use of ABC accounting method in practice, managers need to properly evaluate the current financial capacity of the business. Therefore, enterprises need to have sufficient resources in terms of time and money to do so. When implementing the method of allocating costs by the ABC accounting method requires very large quantitative analysis, which requires the computer equipment to process, and the software must be written separately. Company according to the characteristics of production and business activities.

Third, in addition, factors such as the level of human resources, the characteristics of business operations of the enterprise, the characteristics of the organization of the enterprise and the culture of the business also affect the capacity of the business. Successfully use the ABC accounting method. Therefore, when researching this method, it is necessary to analyze and evaluate the influencing factors in order to make reasonable adjustments, ensuring that applying the method of ABC accounting will really bring about the effect. High fruit for business.

Based on the quantitative and qualitative research methodologies, the team assessed the factors that influence the ability to successfully apply the ABC accounting method. The results show that the ability to successfully apply the ABC accounting method tends to be increasingly necessary and influenced by the following factors: Business strategy of the business; Financial resources of the business; Human resource level; Business characteristics of the business; Organization and management characteristics of the enterprise; Business culture, from which the research team also made some recommendations to improve and promote the ability to successfully apply the ABC accounting method in the future. The article has contributed to a wealth of research on modern cost management accounting as well as contributing to the improvement of cost management accounting in the future. However, the article has a number of limitations such as: The research sample is not covered much and many, so the research results infer to the overall reliability is not high; The extent to which the factors in the research model explain the volatility of the ABC method of accounting is not high, which suggests that other factors influence successful use of accounting methods. ABC methodology, but we consider these to be suggestive for future studies in the future.

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