

**How to Cite:**

Rojanapanich, A., Sooksomchitra, A., Wimonchailerk, S., Mutakalin, G., & Poprateep, P. (2022). Account management, innovative management, and audit quality affect the accounting performance of small and medium enterprises in Thailand. *International Journal of Health Sciences*, 6(S5), 223–239. <https://doi.org/10.53730/ijhs.v6nS5.5222>

# **Account Management, Innovative Management, and Audit Quality Affect the Accounting Performance of Small and Medium Enterprises in Thailand**

**Anocha Rojanapanich**

Suan Sunandha Rajabhat University, Thailand

Email: [anocha.ro@ssru.ac.th](mailto:anocha.ro@ssru.ac.th)

**Anchana Sooksomchitra**

Suan Sunandha Rajabhat University, Thailand

Email: [anchana.so@ssru.ac.th](mailto:anchana.so@ssru.ac.th)

**Supaporn Wimonchailerk**

Suan Sunandha Rajabhat University, Thailand

Email: [supaporn.wi@ssru.ac.th](mailto:supaporn.wi@ssru.ac.th)

**Gullinee Mutakalin**

Chulalongkorn University, Thailand

Email: [gullinee.m@Chula.ac.th](mailto:gullinee.m@Chula.ac.th)

**Prateep Poprateep**

Managing Director World Spirit on Tour CO.LTD, Thailand

Email: [p.poprateep@gmail.com](mailto:p.poprateep@gmail.com)

**Abstract**---Most of the Small Medium Enterprises in Thailand don't have sufficient accounting performance. Several elements have a significant effect on the accounting performance of small-medium enterprises. However, according to this study account management, innovative management and audit quality play a key role in the accounting performance of SMEs. There is a direct relationship between account management, innovative management, audit quality, quality of financial statement, and accounting performance. 340 account managers were surveyed aiming to collect primary data for this study. These 340 account managers were working with various SMEs in Thailand which was the respondents of this study. Primary data received from the respondents were analyzed by using Partial Least Square which is a statistical software. Hence, PLS helped to obtain the final results of this study. It was concluded that by

increasing the value of account management, innovative management, and audit quality, the value of accounting performance also increases. Practically this study help account manager especially those working in SMEs of Thailand to enhance their accounting performance.

**Keywords**---account management, account performance, audit quality, financial statement, innovative management.

## **Introduction**

Accounting performance is considered one of the major factors in every organization (Fitria, 2021). Accounting performance has a significant influence on the business performance of SMEs, particularly in Thailand. Generally, the value of accounting performance determines the value of the business performance of SMEs. Accounting performance increases or decreases the business performance that increases or decreases the net profit of the investors in the SMEs. Moreover, accounting performance discloses the general well-being of the SMEs to the investors. Hence, the economic health of SMEs is determined with the help of their accounting performance. Furthermore, accounting performance provides insights for future investment and decision-making that have a significant impact on the business performance of SMEs.

SMEs in any country has a considerable role in the national economy of that country (Manzoor, Wei, & Sahito, 2021). In several countries, SMEs are the backbone of their economy. There are also national economies that are dependent on their SMEs. Particularly in Thailand SMEs play a significant role in wealth creation and creating new job opportunities. Hence, sustainability and the better business performance of these SMEs in Thailand are very important. As employment of a notable portion of the total population of Thailand is currently linked with these SMEs. Therefore, development and business expansions in Thailand are heavily dependent on SMEs. Therefore, the accounting performance of these SMEs plays a crucial role in these SMEs' business performance. However, the following Figure 1 shows the numbers of SMEs per 1000 people in ASEAN member states. It is obvious from Figure 1 that Thailand is far behind Indonesia in making SMEs per 1000 people. Hence, there is a need to address issues of the SMEs in Thailand aiming to increase these SMEs' accounting performance and business performance.

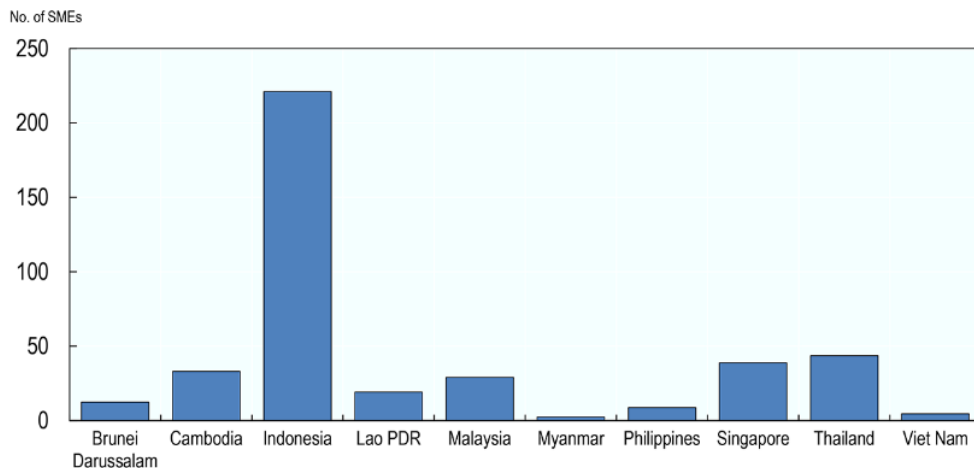


Figure 1. Number of SMEs per 1000 People in the ASEAN Member States.  
Source: OECD and World Bank

There are various factors that affect the accounting performance of SMEs in Thailand. The accounting performance of these SMEs is not tenable instead they show temporary and tiring performance. Several elements influence on accounting performance of these SMEs. However, account management, innovative management, and audit quality are some of the major elements which have a significant influence on the accounting performance of SMEs in Thailand (Nasrallah & El Khoury, 2022). These elements directly influence the accounting performance of SMEs, however, the quality of the financial statement is an element that indirectly and directly influences the accounting performance of the SMEs. Hence, according to this study, account management, innovative management, audit quality and quality of financial statements are responsible for the decrease or increase in the accounting performance of these SMEs.

It is obvious from the past literature that account management brings ease in account performance. Furthermore, past literature also depicts that a good quality of financial statements adds significant meaning to account performance. Account innovation also increases account performance. Moreover, it is clear from the previous studies that increasing the value of account management, innovative management and the quality of financial statements also increases the value of accounting performance. Hence, this study is aimed to investigate the role of account management, innovative management on the accounting performance of SMEs in Thailand. Furthermore, the quality of financial statements mediates the relationship between account management, innovative management, and accounting performance of the SMEs that is shown in Figure 2.

This is a unique study that examined the accounting performance of SMEs in Thailand. There are various studies available in the literature that has investigated the role of accounting performance however, these studies missed to consider the relationship of accounting performance with the SMEs of Thailand. Plenty of studies are presently exploring the role of account management, and innovative management, however, no study is available describing the role of account management, innovative management, and audit quality in the

accounting performance of the SMEs in Thailand. Hence, this is a unique study because it describes the role of account management, innovative management, audit quality in accounting performance with exploring mediating relationship effects of the quality of financial statement between account management, innovative management, and accounting performance of the SMEs. Hence, this is a vital contribution to the body of literature.

Moreover, this study has both theoretical as well as practical contributions. Theoretically, this study investigated the role of account management, innovative management audit quality, quality of financial statements in accounting performance. Practically this study plays a significant role for the account managers particularly concerning the SMEs in Thailand and this study is important for the investors in SMEs to boost their business performance by increasing accounting performance.

### Literature review

Accounting plays a significant role in a business process because it helps to record and track expenditures, and income, ensures lawful compliance and gives financial information to management, investors, and government. Quantitative financial information obtained from accounting helps to make effective business decisions (Gardi, 2021). However, accounting is further divided into 3 major statements that have certain meanings. Income statements, balance sheets, and cash flow are the major statements that determine accounting performance. Several factors are involved in accounting performance, according to this study account management, innovative management, audit quality, quality of financial statements have a significant relationship with accounting performance that is shown in the following Figure 2.

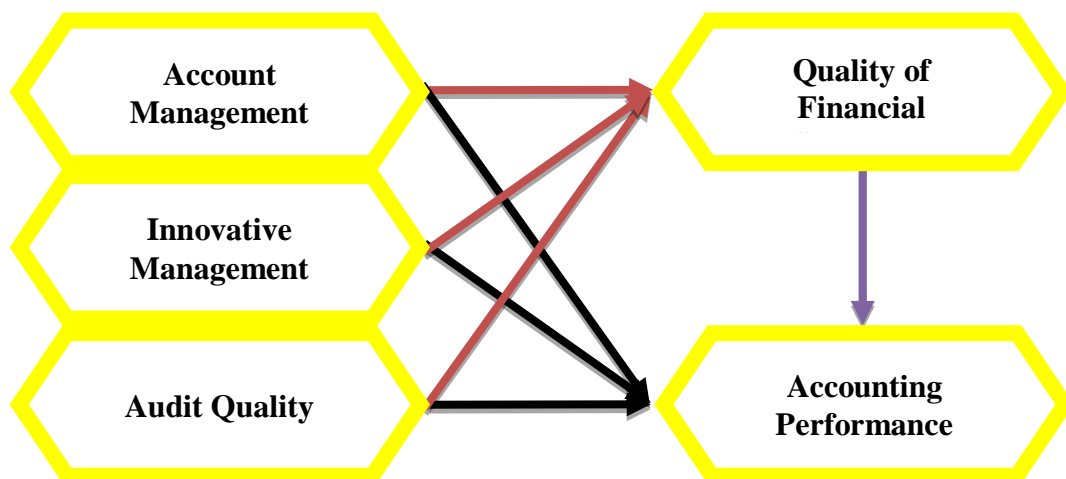


Figure 2. Research model of this study demonstrating relationship between account management, innovative management, audit quality, quality of financial statement, and accounting performance.

### **Account management and quality of financial statement**

The quality of a financial statement refers to its honest, unbiased, and equitable measurement. As per the results of a past study, clear presentation and completeness of financial statement enhance its quality (Thuy, Khuong, Canh, & Liem, 2021). Hence, equity, honesty, completeness, and clear presentation of financial work done by an account manager have a significant meaning to the quality of a financial statement. As account management department deals with the priorities and goals of a company. While the quality of the financial statement of a company is normally unachievable particularly when the goals and priorities of the company are not addressed in a suitable way. Hence, this study demonstrates the role of account management on the quality of financial statements of SMEs, especially in Thailand. Data obtained from this study demonstrate that SMEs in Thailand having an effective account management department comparatively easily generate a better quality of their financial statement. With the help of account management, the quality of the financial statement is maintained by articulating the unique value of the SMEs' services or products which add significant meanings to the quality of the the financial statement. On the other hand, the SMEs in Thailand that doesn't have a definite system to run their account management department or don't prefer the involvement of their account management department in preparation of their financial statement, normally remain unsuccessful to obtain a quality financial statement. Hence, it is encapsulated that.

*H1: Account management has positive effects on the quality of a financial statement.*

### **Account management and account performance**

Account performance typically refers to the statistical aggregate used in an account and its levels. The clarity in every segment field used in an account and its associated data determines the account performance. According to a past study account performance is one of the major tools for SMEs (Feng, Liu, Lyu, Sun, & Hu, 2021). Hence, it is quite important to explore the role of various factors such as account management in account performance. Moreover, account performance is related to the account management of a company. According to this study, account management has a significant influence on account performance. Because account management is responsible to build relationships and links that acknowledge everything involved in a business. By the results of this study, it is obtained that it is the account management department that enables SMEs to understand and identify their clients. Account performance without clear plans of actions and layout always struggles and does not grow as per the expectations. However, account management helps to identify and understand deeply to clients of SMEs. Account management enhances the proactiveness of SMEs which ultimately helps to grow account performance. Hence, the SMEs in Thailand that have an effective account management department normally stand with prominent account performance. While the SMEs which remain fail to activate their account management departments at their best, usually face various kinds of issues that lead them towards a decline in their account performance. Therefore, it is encapsulated that.

*H2: Account management has positive effects on account performance.*

### **Innovative management and quality of financial statement**

For any company, financial statements are the major tool that supports business decisions and users' investments (Gardi, 2021). In a way, it is the financial statement that is responsible to bring new and potential investment into a business. According to this study, SMEs in Thailand normally don't pay attention while making their financial statement. Perhaps due to lack of knowledge or resource, these SMEs are not famous for generating a quality financial statement. Hence, these SMEs in Thailand mostly struggle with their business growth and performance. Various factors help to generate more quality in a financial statement. According to this study innovative management is one of the major factors that directly influence the quality of financial statements. Because innovative management is encompassed with the practice of implementation of innovative strategies, and decisions and these innovative strategies and decisions add significant value to the quality of a financial statement. Results from this study demonstrate that the SMEs which have a potential innovative management system normally remain successful to produce a better quality of their financial statements. However, the SMEs in Thailand that don't have an effective innovation management system, usually fail to produce the quality of their financial statement. Furthermore, due to the poor quality of their financial statement, the current financial status of these SMEs is adversely impacted. Hence, it is encapsulated that.

*H3: Innovative management has positive effects on the quality of a financial statement.*

### **Innovative management and accounting performance**

Innovative management is important for a sustainable business because it allows predicting the future related to the business. Normally competitors struggle with future business plans, decisions, and potential. According to a past study, innovative management is responsible to create new strategies then implementing them to support businesses that cause prominent growth in the business (Islam & Abd Wahab, 2021). Hence, through innovative management success of a business is ensured by the fruitful implementation of new technologies and strategies. Therefore, innovative management has a significant role in the production of new products, implementation of new processes, and application of modern business models. It is clear from the past literature that with the help of effective innovative management, more innovations in a company are constant. However, the account performance of a company is directly influenced by innovative management. In this study, it is observed that effective innovative management applied by SMEs in Thailand has a significant impact on the account performance of SMEs. Moreover, it was also observed that an increase in the value of innovative management, also increases the account performance of the SMEs. However, there are a few SMEs that don't experience a sufficient increase in the value of account performance by increasing the value of their innovative management and that is just because of the limitations of their business such as these SMEs don't have a definite business model to follow.

Otherwise, All the SMEs having an effective innovation management system stand with a prominent performance. Hence, it is encapsulated that.

*H4: Innovative management has positive effects on account performance.*

### **Audit quality and quality of financial statement**

According to the international auditing and assurance standards board, audit quality consists of the factors which create an environment that enhances the probability that quality audit is accomplished on the regular basis. However, auditors play a significant role in the achievement of audit quality. Hence, in a way auditors are responsible for audit quality. However, according to a past study, planning, preparation execution, and regular follow-up guarantee for the conduction of quality audits (Aikins, Mensah, & Kyereme, 2021). Audit quality plays a significant role in the systematic examination of the quality management system of an organization. Moreover, audit quality helps to determine the requirements of an organization. According to this study, audit quality has a significant influence on the quality of the financial statement of SMEs in Thailand. Data obtained from this study demonstrate that the SMEs having improved audit quality normally remain successful to produce the quality of their financial statement. However, it is also observed that many SMEs don't have an effective audit system because these SMEs have an internal audit system however, they are not in a regular practice for external audit. According to a past study, both internal and external audits help to achieve a better quality of financial statements. According to this study, the SMEs, by increasing the audit quality causes an increase in the quality of financial statements of the SMEs. Hence, it is encapsulated that.

*H5: Audit quality has positive effects on the quality of a financial statement.*

### **Audit quality and account performance**

Audit quality involves the environmental audit, internal quality audit system, supplier audit, safety audit, risk assessment audit, and production team audit. However, all the aforesaid types of audits have significant effects on the account performance of a company. It is obvious from the results shown in various previous studies that an internal quality audit looks for an assessment of an organization's internal quality management system aiming to ensure quality production and achievement of maximum efficiency (Tien & Jose, 2021). Furthermore, internal audit adds sufficient meaning to audit quality that further has a significant influence on the account performance of a company. Through audit quality, organizations confirm their meeting targets and quality processes while audit quality enhances account performance which also plays a significant role in the business performance of the organizations. According to this study various SMEs particularly operating in Thailand, don't have a sufficient account performance. There are many elements involved that limit the account performance of the SMEs, however, according to this study audit quality has crucial effects on the account performance of the SMEs. It is determined that the SMEs having an adequate system to maintain their audit quality usually easily get maximum account performance and stand with prominent business

performances among their competitors. However, the SMEs without having a definite system to maintain audit quality or having no practice for audit mostly struggle to produce noticeable account performance. Hence, it is encapsulated that.

*H6: Audit quality has positive effects on account performance.*

### **Quality of financial statement and accounting performance**

For business decisions and users' investments, financial statements play a significant role (Zadorozhnyi, Ometsinska, & Muravskyi, 2021). All too often, business annual reports demonstrate an optimistic picture however, it is not that. Financial statements evaluate business annual reports to make a clear and effective image of the business. With the help of financial statements underlying economic elements of a company are accurately reflected however, it directly depends upon the quality of a financial statement. A feeble image of poor business performance demonstrates that the account performance of the business is poor which further means that the quality of financial statements of the business is also poor. According to a past study, the quality of financial statements should be true and a fair representation financial health of a company. According to this study, SMEs in Thailand having a better quality of their financial statements normally stand with prominent account performance, while the SMEs with a poor quality of financial statements don't have notable accounting performance. Hence, it is encapsulated that:

*H7: Quality of a financial statement has positive effects on accounting performance.*

*H8: Quality of a financial statement mediates the relationship between account management and accounting performance.*

*H9: Quality of a financial statement mediates the relationship between innovative management and accounting performance.*

*H10: Quality of a financial statement mediates the relationship between audit quality and accounting performance.*

### **Research Methodology**

For the achievement of required results, research methodology plays a significant role. Hence, the selection of research methodology is very important as opting for an appropriate research method is essential. Generally, there are three research methods i.e., qualitative, quantitative, and mixed-method that are mostly used by the researchers. The nature of this study is based on a quantitative research approach; hence, it was used to get the results of this study. Moreover, this study used a questionnaire survey to collect primary data. The population of this study is based on SMEs in Thailand hence, account managers working with various SMEs in Thailand, were respondents of this study. Though the questionnaires were distributed among the account managers of Thai SMEs. For this purpose, area cluster sampling was opted. The reason to choose area cluster sampling was that; it is one of the most suitable approaches to cover a widespread population. Because this study covers the whole of Thailand hence, area cluster sampling was used to cover the whole area. Moreover, this study used a 500-sample size that is considered a very good sample size. According to a past study conducted by

Sandelowski (1995) describes that “sample having less than 50 participants will be observed to be a weaker sample; sample of 100 size will be weak; 200 will be adequate; sample of 300 will be considered as good; 500 very good whereas 1000 will be excellent.” Copies of the questionnaire were distributed among the respondents of this study, via respondents’ email addresses. Hence, an email survey was used in this study. Initially, the email addresses of all the respondents were obtained from the administrative office of various SMEs. Hence, an email containing a copy of the questionnaire and a brief introduction of the study were sent to the respondents. However, it was ensured that data collected from the respondents will remain confidential and only be used for the objectives of this study. Initially few responses were received from the respondents. Hence, two reminders were sent to the respondents after the gap of one week. From the total of 500 distributed questionnaires, 365 were returned. 25 questionnaires were incomplete, therefore, excluded from the survey. Thus, a total of 340 questionnaires was used in data analysis.

### Data analysis

Data analysis is started through initial data screening in which the missing value, outlier in the data, and normality of the data is examined. Table 1 shows the data statistics. Data statistics show that data is free from any type of error. After initial data screening, this study employed Partial Least Square (PLS) to analyze the data.

Table 1  
Data statistics

	No.	Mean	Median	Min	Max	SD	Kurtosis	Skewness
AM1	1	3.216	3	1	7	0.982	-0.664	0.149
AM2	2	2.985	3	1	7	1.816	-0.675	0.483
AM3	3	3.457	3	1	7	2.05	-1.024	0.314
IM1	4	2.981	3	1	7	1.89	-0.867	0.375
IM2	5	3.469	3	1	7	1.7	-0.588	0.274
IM3	6	2.957	3	1	7	1.819	-0.801	0.269
AQ1	7	3.574	3	1	7	2.085	-1.009	0.23
AQ2	8	3.636	3	1	7	1.805	-0.698	0.347
AQ3	9	3.593	3	1	7	1.92	-0.798	0.367
QFS1	10	2.988	3	1	7	1.87	-0.731	0.405
QFS2	11	3.463	3	1	7	1.843	-0.705	0.349
QFS3	12	3.543	3	1	7	1.899	-0.835	0.348
AP1	13	3.444	3	1	7	1.781	-0.532	0.466
AP2	14	3.432	3	1	7	1.924	-1.05	0.225
AP3	15	3.364	3	1	7	1.773	-0.734	0.3
AP4	16	3.599	3	1	7	1.772	-0.717	0.275

Figure 3 highlights that account management is measured by using three scale items. Innovation management and audit quality are also measured through three items each. Accounting performance is measured by using four scale items and the quality of financial statements is measured through three scale items. All these constructs are assessed to examine the reliability as well as validity. PLS

measurement model is used in this process to examine factor loadings, reliability, and validity (Chairatana, 2021; Hair et al., 2019). Results are given in Table 2 which shows that all the items have factor loadings above 0.5 which is the minimum level considered in this study.

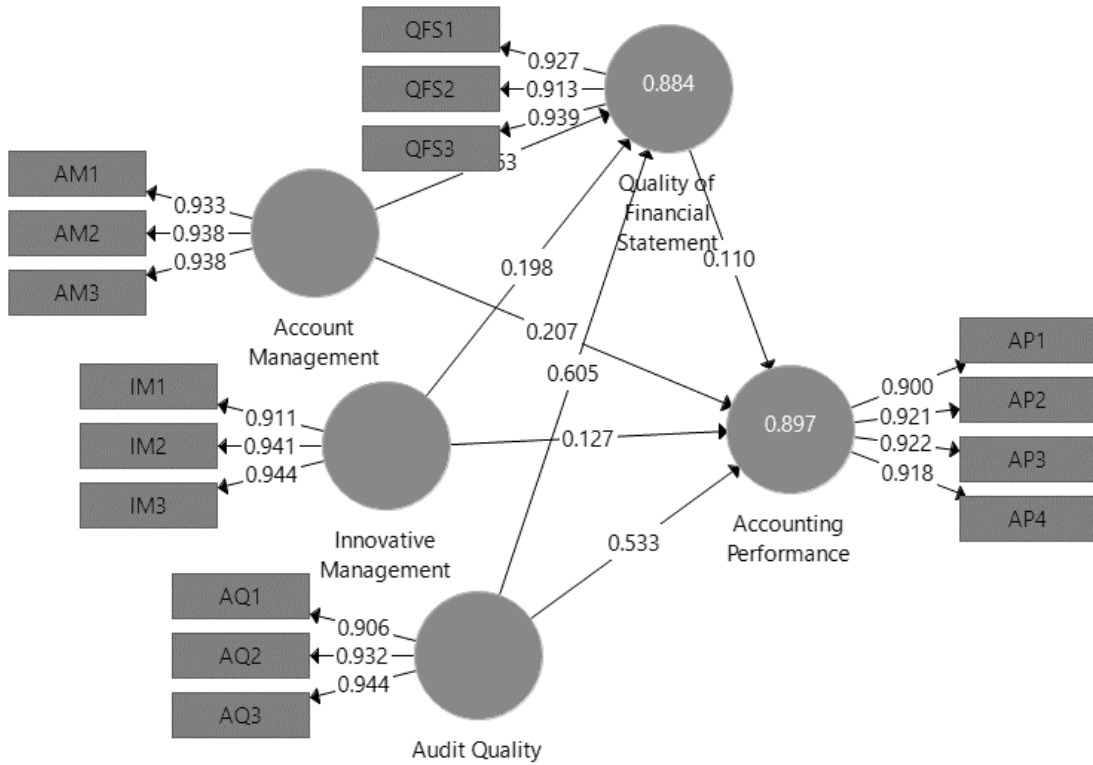


Figure 3. Outer Model Assessment

Table 2  
Reliability and convergent validity

Variables	Items	Loadings	Alpha	CR	AVE
Account Management	AM1	0.933	0.93	0.955	0.877
	AM2	0.938			
	AM3	0.938			
Accounting Performance	AP1	0.9	0.915	0.925	0.801
	AP2	0.921			
	AP3	0.922			
	AP4	0.918			
Audit Quality	AQ1	0.906	0.889	0.908	0.79
	AQ2	0.932			
	AQ3	0.944			
Innovative Management	IM1	0.911	0.875	0.888	0.796
	IM2	0.941			
	IM3	0.944			
Quality of Financial	QFS1	0.927	0.917	0.935	0.832

Statement	QFS2	0.913
	QFS3	0.939

Table 2 shows the composite reliability (CR) and average variance extracted (AVE) of account management, accounting performance, audit quality, innovation management, and quality of financial statements. All these constructs have CR above 0.7 and AVE above 0.5 which confirmed the convergent validity. The discriminant validity is provided in Table 3 through heterotrait-monotrait ratio of correlations (HTMT)<sub>0.9</sub>.

Table 3  
Discriminant validity (HTMT)

	Account Management	Accounting Performance	Audit Quality	Innovative Management	Quality of Financial Statement
Account Management					
Accounting Performance	0.596				
Audit Quality	0.771	0.509			
Innovative Management	0.668	0.762	0.685		
Quality of Financial Statement	0.556	0.773	0.714	0.697	

In the next step of data analysis, t-value and beta value are examined to check the relationship with the help of a structural model (Hair, Hult, Ringle, Sarstedt, & Thiele, 2017; Khan et al., 2019). T-value 1.64 is considered to accept or reject the hypotheses. Results in Table 4 shows that account management, innovation management, and audit quality have a positive effect on the quality of financial statements and accounting performance. Furthermore, the quality of financial statements has a positive effect on accounting performance. Thus, all the direct effect hypotheses are supported. Finally, the mediation effect is given in Table 5 which shows the mediation effect of quality of financial statement between audit quality and accounting performance is significant. However, the other two mediation hypotheses are not supported. Therefore, from three indirect effect hypotheses, one hypothesis is supported, and two hypotheses are not supported.

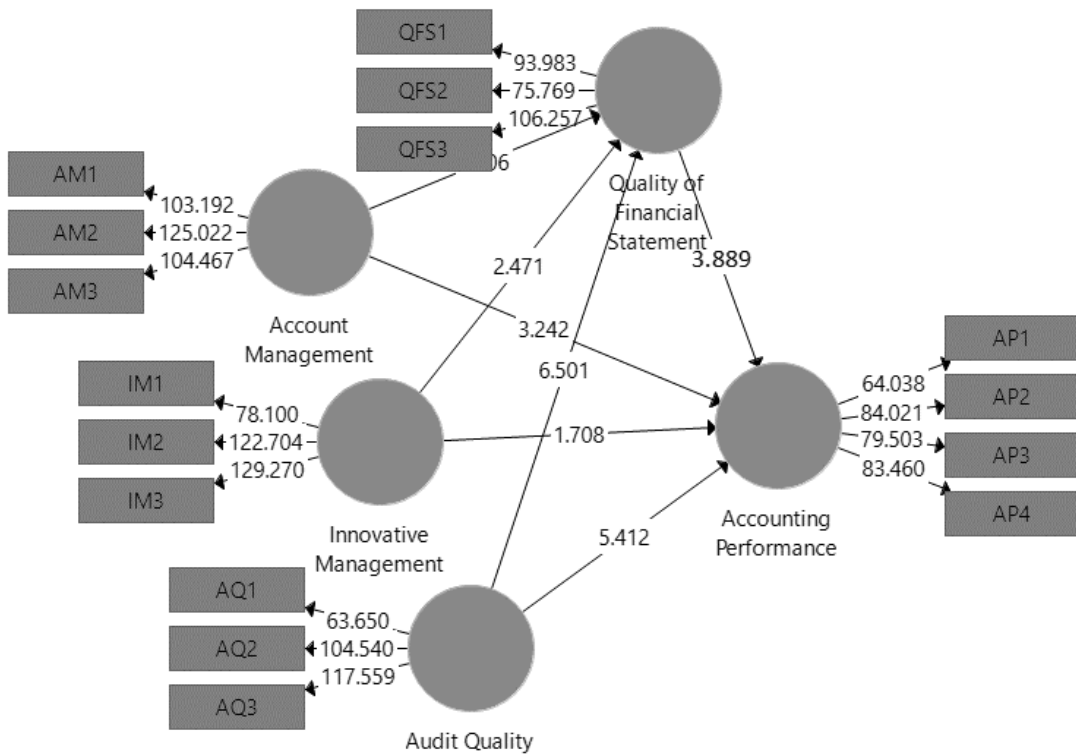


Figure 4. Inner Model Assessment

Table 4  
Structural model results (Direct Effect)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Account Management -> Accounting Performance	0.207	0.207	0.064	3.242	0.001
Account Management -> Quality of Financial Statement	0.163	0.164	0.09	1.806	0.036
Audit Quality -> Accounting Performance	0.533	0.525	0.098	5.412	0
Audit Quality -> Quality of Financial Statement	0.605	0.6	0.093	6.501	0
Innovative Management -> Accounting Performance	0.127	0.13	0.075	1.708	0.044
Innovative Management -> Quality of Financial Statement	0.198	0.202	0.08	2.471	0.007
Quality of Financial Statement -> Accounting Performance	0.11	0.115	0.028	3.889	0

Table 5  
Structural model results (In-Direct Effect)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Innovative Management -> Quality of Financial Statement -> Accounting Performance	0.022	0.023	0.023	0.948	0.172
Audit Quality -> Quality of Financial Statement -> Accounting Performance	0.066	0.069	0.015	4.438	0
Account Management -> Quality of Financial Statement -> Accounting Performance	0.018	0.018	0.019	0.922	0.179

### Discussion

The first hypothesis of this study demonstrates that account management has positive effects on the quality of a financial statement. A study conducted by Franczak (2019) demonstrates that account management has significant effects on the quality of financial statements. A research study conducted on Jordanian hotels and sustainable practice by Saleh, Jawabreh, and Abu-Eker (2021) demonstrated that the account management department helps to identify the distinguishing quality of hotels services and products which ultimately helps to generate quality of financial statements. According to the previous literature, it is also obvious that the account management department of an organization add significant worth to the quality of financial statement by keeping records clear and attributable.

The second hypothesis of this study demonstrates that account management has positive effects on account performance. A study conducted by Fiok, Karwowski, Gutierrez, and Wilamowski (2021) demonstrates that account management helps to organize and arrange available data. Another research published in the Journal of Intelligence by Löffler, Frischkorn, Rummel, Hagemann, and Schubert (2022) demonstrates that account performance cannot be effective without account management. Moreover, Chigbu and Nekhwevha (2021) demonstrated that the account performance of an educational institution remains poor with poor account management. However, with proper and effective account management, account performance grows. It is the account management that helps a company to look at the future and helps it to be reliable. Without looking at the future and being reliable account performance of a company begin to decrease. Hence, account management has a significant positive impact on account performance.

The third hypothesis of this study demonstrates that innovative management has positive effects on the quality of a financial statement. Monteiro, Vale, Silva, and Pereira (2021) demonstrated that innovative management is responsible from the initial stage of ideation to the final stage of its profitable implementation for a company. In this way, innovative management has a significant impact on the quality of financial statements. Another research conducted by Sitepu, Nasution,

and Dani (2021) demonstrates that the quality of the financial statement plays a critical role in the investors' interpretation that ultimately has significant effects on the existing financial status of an organization. According to Dalimunthe and Pane (2021), innovative management is one of the key factors of any organization that helps to have a sustainable business by enabling the organization to look ahead into the future and arise with creative and effective ideas.

The fourth hypothesis of this study demonstrates that innovative management has positive effects on account performance. Elahi, Khalid, Tauni, Zhang, and Lirong (2021) demonstrated that innovative management helps to mitigate almost all kinds of risks involved in a business, and regular practice of innovative management by a company helps the company to stand prominent among its competitors. A prior research study conducted on the topic of innovative management accounting practices for sustainability of manufacturing small and medium enterprises demonstrates that innovative management is one of the major factors promising sustainability of the business run by SMEs. According to Sakun, Prystemskyi, and Kartashova (2021), innovative management plays a crucial role in the business performance of SMEs.

The fifth hypothesis of this study demonstrates that audit quality has positive effects on the quality of a financial statement. Hunt, Rosser, and Rowe (2021) demonstrated that a company prefers to switch external auditors aiming to have an enhanced quality of its financial statements. A study evidenced from India, conducted by Al-ahdal and Hashim (2021) demonstrates that audit quality helps Indian non-financial listed SMEs to improve their business performance because audit quality has a significant impact on the quality of their financial statements. Audit quality directly influences the quality of financial statements, improved audit quality promises for a better quality of the financial statement however, any kind of compromise on the audit quality of a company results in a poor quality of the financial statements of the company that ultimately lead towards poor business performance for the company (Alhababsah & Yekini, 2021).

The sixth hypothesis of this study demonstrates that audit quality has positive effects on account performance. According to a past study, account performance describes investors' general benefits, the economic health of the business, and the efficiency of the business' management team (Stepanov & Stepanov, 2021). According to Zhang, Li, and Yang (2021) increase in the audit quality of educational institutions for higher education also causes an increase in the business performance of the educational institutions as well as their account performance. Meta-analysis of various empirical studies tells that maximizing the audit quality of a company, also maximizes the account performance of the company. Nalukenge, Kaawaase, Bananuka, and Ogwal (2021) also demonstrated that to achieve maximum account performance there is a strong need to emphasize the quality of audit.

The seventh hypothesis of this study demonstrates that the quality of a financial statement has positive effects on account performance. According to Dana, Rounaghi, Enayati, and Researcher (2021) accounting performance become significant when it shows understandable information depicting the financial position, cash flow, financial performance, and prospects of a business. Sitepu et

al. (2021) concluded that a better quality of financial statements must show information about important business developments.

The eighth hypothesis of this study demonstrates that “quality of a financial statement mediates the relationship between account management and accounting performance”. It is clear from the results shown in Table 5, this mediating relationship does not support the hypotheses. The ninth hypothesis of this study demonstrates that “quality of a financial statement mediates the relationship between innovative management and accounting performance.” Results shown in Table 5 demonstrate that this mediating relationship also does not support the hypotheses, hence, the seventh and eighth hypotheses of this study are rejected. The tenth hypothesis of this study demonstrates that “quality of a financial statement mediates the relationship between audit quality and accounting performance.” It is clear from the results in Table 5 that this mediating relationship supports the mediating effects of quality of a financial statement hence, more increase in the value of audit quality will result in more increase in the value of account management.

## **Conclusion**

The outcome of this study shows that increasing the value of account management also increases the value of accounting performance. In the same way, an increased value of innovative management results in an increase in the value of accounting performance and the same is with the audit quality and accounting performance. Moreover, there is a direct relationship between the quality of financial statements and accounting performance. However, the quality of financial statements mediates the relationship between account management, innovative management, audit quality, and accounting performance. To achieve the results of this study, a survey was conducted aiming to obtain primary data from the respondents of the current study, then this data was analyzed with the help of PLS to obtain the results of this study. Theoretically, this study contributes to the literature by investigating the role of account management, innovative management, audit quality, and quality of financial statements in the account performance of SMEs in Thailand. Practically this study helps account managers to maintain their accounts specially to enhance their accounting performance.

## **References**

- Aikins, A. E., Mensah, J. V., & Kyereme, A. K. (2021). Examining internal audit process of selected local governments in the central region of Ghana.
- Al-ahdal, W. M., & Hashim, H. A. (2021). Impact of audit committee characteristics and external audit quality on firm performance: evidence from India. *Corporate Governance: The International Journal of Business in Society*.
- Alhababsah, S., & Yekini, S. (2021). Audit committee and audit quality: An empirical analysis considering industry expertise, legal expertise and gender diversity. *Journal of International Accounting, Auditing and Taxation*, 42, 100377.
- Chairatana, P. (2021). The image of historical tourism in the area of the Ayutthaya Historical Park affecting the decision to visit of Thai tourists in Phra

- Nakhon Si Ayutthaya. *Turkish Journal of Computer and Mathematics Education (TURCOMAT)*, 12(8), 2414-2419.
- Chigbu, B. I., & Nekhwevha, F. H. (2021). High school training outcome and academic performance of first-year tertiary institution learners-Taking'Input-Environment-Outcomes model'into account. *Heliyon*, 7(7), e07700.
- Dalimunthe, H., & Pane, A. A. (2021). The Effect of Internal Control and Compliance with Accounting Rules on the Quality of Financial Statements at PT. Bank of North Sumatra Medan. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(1), 966-975.
- Dana, L.-P., Rounaghi, M. M., Enayati, G., & Researcher, M. (2021). Increasing productivity and sustainability of corporate performance by using management control systems and intellectual capital accounting approach. *Green Finance*, 3(1), 1-14.
- Elahi, E., Khalid, Z., Tauni, M. Z., Zhang, H., & Lirong, X. (2021). Extreme weather events risk to crop-production and the adaptation of innovative management strategies to mitigate the risk: A retrospective survey of rural Punjab, Pakistan. *Technovation*, 102255.
- Feng, Y., Liu, K., Lyu, L., Sun, G., & Hu, Y. (2021). The Financial Impact of Patents on SMEs in China: Empirical Evidence from Pharmaceutical Sector. *Science, Technology and Society*, 09717218211047023.
- Fiok, K., Karwowski, W., Gutierrez, E., & Wilamowski, M. (2021). Analysis of sentiment in tweets addressed to a single domain-specific Twitter account: Comparison of model performance and explainability of predictions. *Expert Systems with Applications*, 186, 115771.
- Fitria, G. N. (2021). The Effect of Management Accounting System, Sustainable Leadership and Environmental Strategy on Business Performance with Organizational Culture as Moderator. *International Journal of Contemporary Accounting*, 3(1), 45-60.
- Franczak, I. (2019). The relations between the quality of financial statements and corporate governance. *International Journal of Management and Economics*, 55(2), 118-126.
- Gardi, B. (2021). Investigating the effects of financial accounting reports on managerial decision making in small and medium-sized enterprises. Available at SSRN 3838226.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., & Thiele, K. O. (2017). Mirror, mirror on the wall: a comparative evaluation of composite-based structural equation modeling methods. *Journal of the academy of marketing science*, 45(5), 616-632.
- Hair, J. F., Ringle, C. M., Gudergan, S. P., Fischer, A., Nitzl, C., & Menictas, C. (2019). Partial least squares structural equation modeling-based discrete choice modeling: an illustration in modeling retailer choice. *Business Research*, 12(1), 115-142.
- Hunt, J. O., Rosser, D. M., & Rowe, S. P. (2021). Using machine learning to predict auditor switches: How the likelihood of switching affects audit quality among non-switching clients. *Journal of Accounting and Public Policy*, 40(5), 106785.
- Islam, A., & Abd Wahab, S. (2021). The intervention of strategic innovation practices in between regulations and sustainable business growth: a holistic

- perspective for Malaysian SMEs. *World Journal of Entrepreneurship, Management and Sustainable Development*.
- Khan, G. F., Sarstedt, M., Shiau, W.-L., Hair, J. F., Ringle, C. M., & Fritze, M. P. (2019). Methodological research on partial least squares structural equation modeling (PLS-SEM): an analysis based on social network approaches. *Internet Research*.
- Löffler, C., Frischkorn, G. T., Rummel, J., Hagemann, D., & Schubert, A.-L. (2022). Do attentional lapses account for the worst performance rule? *Journal of Intelligence*, 10(1), 2.
- Manzoor, F., Wei, L., & Sahito, N. (2021). The role of SMEs in rural development: Access of SMEs to finance as a mediator. *Plos one*, 16(3), e0247598.
- Monteiro, A. P., Vale, J., Silva, A., & Pereira, C. (2021). IMPACT OF THE INTERNAL CONTROL AND ACCOUNTING SYSTEMS ON THE FINANCIAL INFORMATION USEFULNESS: THE ROLE OF THE FINANCIAL INFORMATION QUALITY. *Academy of Strategic Management Journal*, 20, 1-13.
- Nalukenge, I., Kaawaase, T. K., Bananuka, J., & Ogwal, P. F. (2021). Internal audit quality, punitive measures and accountability in Ugandan statutory corporations. *Journal of Economic and Administrative Sciences*.
- Nasrallah, N., & El Khoury, R. (2022). Is corporate governance a good predictor of SMEs financial performance? Evidence from developing countries (the case of Lebanon). *Journal of Sustainable Finance & Investment*, 12(1), 13-43.
- Sakun, A. Z., Prystemskyi, O., & Kartashova, O. (2021). Innovative Paradigm of Management Accounting and Development of Controlling in the Entrepreneurship.
- Saleh, M. M. A., Jawabreh, O., & Abu-Eker, E. F. M. (2021). Factors of applying creative accounting and its impact on the quality of financial statements in Jordanian hotels, sustainable practices. *Journal of Sustainable Finance & Investment*, 1-17.
- Sandelowski, M. (1995). Sample size in qualitative research. *Research in nursing & health*, 18(2), 179-183.
- Sitepu, B. N., Nasution, M. H., & Dani, R. (2021). The Effects of Punctuality, Quality of Financial Statements, And The Effectiveness of Financial Statement Information on The Improvement of Company Financial Statement Performance. *Journal of Economics, Finance and Accounting Studies*, 3(2), 101-105.
- Stepanov, S., & Stepanov, M. (2021). Estimation of the Performance Measures of a Group of Servers Taking into Account Blocking and Call Repetition before and after Server Occupation. *Mathematics*, 9(21), 2811.
- Thuy, C. T. M., Khuong, N. V., Canh, N. T., & Liem, N. T. (2021). Corporate Social Responsibility Disclosure and Financial Performance: The Mediating Role of Financial Statement Comparability. *Sustainability*, 13(18), 10077.
- Tien, N. H., & Jose, R. J. S. (2021). Higher Education Quality Auditor Training in Vietnam. *Turkish Journal of Computer and Mathematics Education (TURCOMAT)*, 12(14), 4315-4325.
- Zadorozhnyi, Z.-M., Ometsinska, I., & Muravskyi, V. (2021). Determinants of firm's innovation: increasing the transparency of financial statements.
- Zhang, J., Li, H., & Yang, K. (2021). A Meta-Analysis of the Government Performance—Trust Link: Taking Cultural and Methodological Factors into Account. *Public Administration Review*.