

CONNEXIONS AMONG CULTURE, MANAGERIAL ACCOUNTING AND EFFICIENCY: EMPIRICAL EVIDENCE OF TRA VINH

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Abstract

The current research work seeks to examine the influences of organizational culture and managerial accounting on organizational efficiency. Especially, it tries to analyze the mediation of managerial accounting in the causal link from organizational culture to organizational efficiency. The research data was collected from 420 small and medium enterprises in Tra Vinh province of Vietnam. Structural equation modelling analyses were undertaken to examine the causal links in the model; whereas mediating procedures were applied to test the mediating role of managerial accounting. The empirical findings discover that organizational culture and managerial accounting put positive effects on organizational efficiency, while organizational culture and managerial accounting are positively related. The results recommend that an organization that decides on sound organizational cultures and suitable level of managerial accounting in business will gain superior efficiency. Furthermore, the adoption of managerial accounting in business can transmit a partial effect of organizational culture on organizational efficiency indirectly through itself.

Keywords: Culture; managerial accounting; efficiency; Tra Vinh

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1. INTRODUCTION

The effects of organizational culture and managerial accounting on organizational efficiency have received much attention in studies on organizational culture as well as on managerial accounting (Agbejule 2011). One of the key arguments is that if a firm retains a sound organizational culture by representing a well-incorporated and operative set of specific standards, opinions, and manners, which can implement at a greater level of efficiency. Additionally, Stoica et al. (2004) indicated the causal linkage from organizational culture to efficiency is decided by the way firms seek and employ information such as the information of managerial accounting.

The adoption of managerial accounting has progressed for the past years from focus on providing more formal methods to embracing flexibility and supporting novelty, and imagination (Henri, 2006). Managerial accounting practices have been commonly viewed as a vital controlling instrument in providing executives with valuable information to allow them to produce enhanced business decisions as well as keep active control on business resources. Organizations need practices of managerial accounting to deliver well-timed and correct information to facilitate business management (Johnson & Kaplan 1987). In spite of the bond of applying information of managerial accounting in business with values of organizational

culture, which reveals management and suppleness, only a few studies have paid attention to the linkages between the two variables and the influence such a relationship can impose on organizational efficiency.

Accounting is an important part of economic and financial management tools. Therefore, in order for accountants to fully promote the function of information and inspection in business, organizations must build for themselves a complete accounting system, including financial and managerial accounting (Chenhall and Langfield-Smith, 1998).

Managerial accounting specializes in processing and providing information about business activities to perform managerial functions such as planning, organizing, implementing, and controlling and decision-making. This contributes to overcoming shortcomings, backlogs, and implementing breakthroughs in production and business in order to dominate the market, and ultimately improve the efficiency of production and business activities.

The knowledge of management has recognized the association between organizational culture, managerial accounting and organizational efficiency (Etemadi et al. 2009). However, there is still a big gap; because so far there has been no research analyzing the indirect intermediary role of managerial accounting in the relationship organizational culture on business efficiency. The main aim of the current research is to study the linkage among organizational culture, the implementation of managerial accounting in operation and organizational efficiency. It tries to analyze the mediating role of managerial accounting on the impact of organizational culture on organizational efficiency.

2. ORGANIZATIONAL CULTURE ON ORGANIZATIONAL EFFICIENCY

Agbejule (2011) investigated the joint influence of managerial accounting and organizational culture on organizational efficiency. Drawing on the perspective of contingency, that study mentioned organizational efficiency is enhanced by the interplay between organizational culture and the implementation of managerial accounting. The findings showed the highest efficiency for flexibility is attained when high interactive usage of managerial accounting is accepted. The causal association from organizational culture to efficiency has been investigated in prior studies recommended some kinds of organizational cultures could result in improved organizational efficiency and contended organizational efficiency is conditional on the degree to which organizational cultures are broadly shared within business (Denison, 1990; Ogbonna & Harris, 2000). In addition, Krefting and Frost (1985) maintained organizational culture could generate competitive advantages by defining the limitations of the business in terms of individual exchanges and abilities of processing information. It has been recommended in previous research that a sound and strong culture positively effects on organizational efficiency.

Ogbonna (1993) indicated extensively shared and powerfully held values may allow executives to foresee employee reactions to some strategic choices, thus diminishing undesired outcomes. Ogbonna and Harris (2000) demonstrated innovative culture is directly connected to organizational efficiency, whereas bureaucratic culture is not directly related to

organizational efficiency. Denison (1990) emphasized flexible values are associated with organizational efficiency; while Gordon and Ditomaso (1992) found that organizational cultures emphasized on adaptableness are connected to organizational efficiency. Suppleness values conquered by more unfastened and less entrenched structures in processes more likely respond faster to external threats and opportunities than those with controlled values of culture. The adaptableness to the external setting is encouraging to curious culture that encourages organizational learning.

Overall, suppleness values could help organizations in recognizing opportunities for improving client satisfaction, accordingly maintaining current clients, which leads to higher market share. Consequently, suppleness value can highlight both the usage of non-financial and financial information to augment organizational attention, which advocates the development of a new plan. Marcoulides and Heck (1993) discussed and explored how organizational culture affects organizational efficiency. Organizational culture is determined by various essential items. Grounded on the competing value framework, Zhang et al. (2008) investigated the causal relationship from organizational culture to organizational efficiency. The standpoint of consistence was applied to analyze the research model. The consistence between organizational culture and external setting is found out a positive determinant of organizational efficiency.

De Hilal et al. (2009) stressed the acquirement of a giant energy corporation by a conglomerate in denationalization and attempted to identify if efficiency indicators undertaken by the acquirement corporation in the post-acquisition period are well-matched with organizational culture. The empirical results discovered there are substantial differences in organizational culture. They also recommended the requirement of improving the consistence between efficiency indicators and elements of organizational culture. Shahzad et al. (2012) emphasized the measurement of organizational culture and analyzed the impact of organizational culture on efficiency. They discovered organizational culture has deep influence on organizational efficiency and suggested more studies should be performed to thoroughly analyze the processes of organizational culture in controlling organizational efficiency. A suitable organizational culture is one of the vital causes that lead the employees to remain in organization. Consequently, corporations could draw and stimulate employees by deciding on appropriate organizational culture, which results into the best possible organizational efficiency (Al Mamun & Hasan 2017). Furthermore, organizational culture likely produces workforces' positive opinions on the organization; thereby engages the employees in running a business that can lead to the best enhanced organizational efficiency (Wilkins & Ouchi, 1983). Additionally, Yesil and Kaya (2013) also affirmed the important role of organizational culture on organizational efficiency by efficiently functioning businesses. A few scholars affirmed one of the significant intangible causes of organizational efficiency is organizational culture and discovered organizational culture differs across businesses (Jacobs et al. 2013; Acar & Acar 2014).

Yildiz (2014) referred to organizational culture as a set of objectives and values shared by employees within the organization, which is perceived as a source of organizational

competence. The empirical results revealed the effect of organizational on efficiency; while Mousavi et al. (2015) provided insight into the importance of organizational culture on efficiency. Likewise, Leithy (2017) recognized and explored a theoretical framework that links organizational culture to work related attitudes and organizational efficiency. Kim and Chang (2018) relied on the viewpoint of perceived organizational culture, examining the association between organizational culture and efficiency. They indicated organizational culture is one of the driving forces of organizational effectiveness.

3. ORGANIZATIONAL CULTURE ON MANAGERIAL ACCOUNTING

Le et al. (2020) attempted to contribute to the body of contingency-based literature of managerial accounting and filled the research gap by scrutinizing the direct influence of organizational culture on the adoption of managerial accounting. They indicated that organizational culture impacts managerial attitudes and behaviors to innovative activities in business (Subramaniam & Mia, 2001; Chia & Koh, 2007). Executives with high-valued orientation to innovation are more possible to pursue creative and innovative ideas than others. Furthermore, Subramaniam and Mia (2001) asserted such innovative ideas, can, nevertheless, involve greater uncertainty and bigger risk.

Executives usually need more information for decision-making if facing great uncertainty in the business environment (Agbejule, 2005; Chenhall & Morris, 1986; Fisher, 1996). According to Agbejule (2005), when the business environment is more uncertain, managerial accounting information becomes indispensable in assessing the possible actions of rivals and the requirements of clients. Furthermore, the incorporated and combined information has a progressively vital role in offering information to coordinate in business (Bouwens & Abernethy, 2000). Additionally, timely information is especially valuable for executives who need to respond quickly to changes in a dynamic business environment. Researchers regard organisational culture as a factor that executives could manage to achieve explicit targets (Peters & Waterman, 1982).

Various scholars have investigated the linkage between organizational culture and efficiency. Chow et al. (2002) discovered a significant connection from the fit of employees' preferences with organizational culture and employees' satisfaction, which leads to organizational efficiency (Baird et al., 2011; Goyal et al., 2013). Moreover, Gray (1988) stressed conditional characteristics is likely conducive to a culture of organizational secrecy and managerial accounting. A few executives have scrutinized the relation between organizational specific characteristics and managerial accounting (McLellan & Moustafa 2008). From the viewpoint of managerial accounting in business, Laudon and Laudon (2015) regarded organizational culture as an influential bonding driver that restrains political conflict and motivates shared understandings. Based on this perspective, Rapina (2014) indicated organizational culture can affect the adoption of managerial accounting and quality of accounting information. The linkage from organizational culture to managerial accounting is emphasized, where organizational culture determines the adoption of managerial accounting. Organizational

culture was suggested by ElKelish and Rickards (2018) as one of the vital determinants of managerial accounting.

Furthermore, Ha (2020) asserted organizational culture is one of the vital variables leading to the implementation of accounting information practices in business. Likewise, Indeje and Zheng (2010) also found out a positive influence of organizational culture on the implementation of accounting information practices. To apply accounting information practices in business, it is obligatory to identify as well as recognize the beliefs of an organization; whereas organizational culture is considered as the base for the best working practice of accounting information (Kwarteng & Aveh 2018). Consequently, organizational culture influences the implementation of accounting information practices in general and the implementation of managerial accounting practices in particular.

4. MANAGERIAL ACCOUNTING ON EFFICIENCY

Accepting managerial accounting in business is aimed to simplify decision-making with information that is collected, processed and communicated, which enables executives to plan, establish, control and appraise business activities, organizational strategy and efficiency (Kaplan et al. 1998). Moreover, managerial accounting is the managerial means planned to offer dependable business information for organizations to make managerial decisions. Managerial accounting is regarded as a part of managerial practices whose aim is to provide valuable information for managing process to enhance business efficiency (Kaplan 1983). Drawing on Lucas (1997), traditional managerial accounting practices, focusing on internal concerns within organizations, and financially oriented, have been no more viewed as supportive tools to deliver adequate information for managing process in the present dynamic business environment. Besides traditional managerial accounting practices, organizations should link managerial tools to more advanced managerial practices, which can content clients' desires, so can obtain high competitive advantages. Al-Htaybat and Alberti-Alhtaybat (2013) highlighted that management accounting includes the design and usage of accounting information within business. Commonly, management accounting is considered as an instrument of measurement and gathering of information guiding management and improving organizational efficiency.

Porter (1985) contended to survive and thrive in the competitive business environment; firms should screen and monitor its activities regarding threats from prospective rivals, substitute products and services, as well as competition in the industrial sector, and changes in providers and clients. To effectively cope with them, firms should employ accounting information to monitor business activities and classify changes in the industrial sector and in rivals' plans. There is a growing body of knowledge identifying the vital role of managerial accounting in operating organizational actions. Abernethy and Bouwens (2005) admitted the chief role of managerial accounting in supporting directors to make good business decisions. Management accounting is able to augment client contentment, which ultimately leads to high organizational efficiency. Several scientists have assessed organizational efficiency on actual results that has been obtained from its objects (Hudson et al., 2001; Kaplan & Norton

2007). In addition, advantages Mia and Clarke (1999) indicated organizational efficiency could be considered as the extent to that the business has been effective in gaining extraordinary competitive advantages.

A causal linkage from accepting managerial accounting in business to organizational efficiency has been acknowledged. Williams and Seaman (2002) asserted managerial accounting plays a vital role in augmenting organizational efficiency. Additionally, Ajibolade et al. (2010) documented a causal relation from the usage of managerial accounting in business to organizational efficiency. Furthermore, Mohamed and Jones (2014) emphasized the importance of managerial accounting in business and recommended managerial accounting is applied to confirm competitive advantage and client contentment.

Ghasemi et al. (2016) studied the bond between managerial accounting and organizational efficiency. They documented statistical evidence on the association between performance and changes in managerial accounting in business. Based on Ismail (2007), the usage of accounting information could allow executives to increase organizational efficiency. The usage of such accounting information can help companies to control short-term matters. Likewise, the usage of that accounting information could help companies to incorporate operational considerations in long-term plans.

An organization accepting a high level of managerial accounting will achieve high organizational effectiveness (Chenhall & Langfield-Smith 1998). Similarly, Kennedy and Affleck-Graves (2001) confirmed a greater implementation of managerial accounting in business is connected with enhanced organizational efficiency; whereas Maiga and Jacobs (2006) disclosed managerial accounting can allow organizations to augment organizational efficiency. Furthermore, Cadez and Guilding (2008) established a causal linkage from the adopting level of managerial accounting in business to organizational efficiency. Other researchers (e.g. Saeidi et al. 2018; Phornlaphatrachakorn & Na-Kalasinhu 2020; Adu-Gyamfi and Chipwere 2020), underlined the effect of managerial accounting on firm effectiveness. Kalkhouran et al. (2017) explored the linkage between chief executive officer characteristics and managerial accounting and analyzed the indirect influence of managerial accounting on organizational efficiency. They found out a causal association from the acceptance of managerial accounting to organizational efficiency. Numerous studies, (e.g. Baines & Langfield-Smith 2003; Cravens & Guilding 2001; Hoque and James 2000) supported the idea that a higher implementation of managerial accounting can lead to improved organizational efficiency. Cinquini and Tenucci, (2010) highlighted that business managers have been drawing on managerial accounting as information providing tools in the process of making business decisions and controlling business activities. Consequently, managerial activities involving the usage of competitive means reflect an improvement in long-term organizational efficiency (Aykan & Aksoylu, 2013). Better managerial information can improve the efficiency of managerial decisions that in turn enhances organizational efficiency (Baines & Langfield-Smith, 2003).

5. HYPOTHESES

Anchored in the above-mentioned arguments related to the linkages among organizational culture, efficiency and managerial accounting, it could summarize that, organizational culture affects organizational efficiency and managerial accounting that will in turn lead to improved organizational efficiency. Anchored in the mediating procedures of Baron and Kenny (1986), where the cause variable influences an intermediate variable and the effect variable. Concurrently the intermediate variable has an influence on the effect variable. Consequently, it can suggest that, the intermediate variable likely mediates the linkage between where the cause variable and the effect variable. Overall, it can conjecture that managerial accounting can play a mediation role in the linkage from organizational culture to efficiency. It can then postulate the following hypotheses.

- H1: Organizational culture can positively determine organizational efficiency
- H2: Organizational culture puts a positive influence on the implementation of managerial accounting
- H3: The adoption of managerial accounting can improve organizational efficiency
- H4: The adoption of managerial accounting can mediate the association between organizational culture and organizational efficiency

6. RESEARCH METHODOLOGY

Instruments: There are three main variables in the research model. Based on Huynh và Nguyen (2017), organizational culture is evaluated on five items. Based on Huynh et al. (2017), managerial accounting is assessed on 9 items. Based on Nguyen Thanh Hung (2017), organizational efficiency is measured on 10 items. **Data selection:** The research sample consisted of 420 enterprises collected from the small and medium enterprises in Tra Vinh province of Vietnam. **Data analyses:** Reliability analyses are conducted to examine the properties of constructs and their elements. Meantime, exploratory factor analyses were performed to investigate construct validity. Successively, a confirmatory factor analysis is utilized to scrutinize if there is a practical support for the recommended theoretical factor arrangement. Then analyses of structural equation modeling is employed to examine the causal relationships in the model. To investigate the mediation impacts, Preacher and Hayes's (2008) procedures were utilized.

7. RESULTS

7.1. Reliability analyses & Exploratory factor analysis

Reliability analyses to judge internal reliability and exploratory factor analyses to judge construct validity are displayed in Table 1 (Marcoulides & Hershberger 2014). The lowest

limit of item-total correlations is recommended 0.5, whereas the acceptable level of the Cronbach's alpha is suggested 0.7. The figures indicate sufficient internal reliability for the constructs. As a result, all of the 24 elements are sensibly retained for subsequent analyses. Exploratory factor analyses are carried out to examine scale validity (Marcoulides & Hershberger 2014). The figures from exploratory factor analyses were suppressed with the factor loadings below 0.30. To satisfy discriminant validity, cross-loadings should surpass the 0.3 level. Furthermore, to meet convergent validity, factor-loadings should exceed the 0.5 limit; KMO as well as Communalities should surpass the 0.7 and 0.5 thresholds respectively. As Table 1 shows, the cross-loadings all surpass the 0.3 level. Additionally, the factor-loadings all exceed the 0.5 limit. Besides, the KMO of 0.945 surpass the 0.7 threshold; whereas the communalities are all more than the 0.5 value. The abovementioned figures point out the constructs all meet construct validity and reliability. Henceforward, all of them are suitably reserved in next steps.

Table 1: Reliability and Exploratory Factor Analysis

Element	Loading-factor			Element correlations	Communalities
	VHDN	KTQT	HQKD		
VHDN1	.786			.680	.675
VHDN2	.686			.545	.505
VHDN3	.780			.625	.622
VHDN4	.683			.505	.473
VHDN5	.677			.506	.468
KTQT1		.754		.692	.582
KTQT2		.823		.774	.697
KTQT3		.748		.689	.576
KTQT4		.783		.727	.629
KTQT5		.781		.740	.645
KTQT6		.797		.751	.660
KTQT7		.747		.689	.576
KTQT8		.727		.675	.562
KTQT9		.762		.712	.604
HQKD1			.741	.713	.590
HQKD2			.809	.792	.697
HQKD3			.786	.750	.637
HQKD4			.758	.716	.590
HQKD5			.759	.718	.593
HQKD6			.857	.834	.765
HQKD7			.867	.859	.800
HQKD8			.864	.842	.775
HQKD9			.842	.820	.747
HQKD10			.842	.816	.740
N of Items	5	9	10	$\Sigma = 24$	$\Sigma = 24$
Cronbach's α	.791	.920	.949		
KMO		.945			

Furthermore, confirmatory factor analyses and structural equation modelling analyses were undertaken to scrutinize empirical supports for offered theoretic factor structures and casual relationships. The figures are displayed in Tables 2 to 4.

7.2. Confirmatory Factor Analysis & Structural Equation Modeling Analysis

Table 2: Goodness of Fit

Indices	X ² /df	TLI	CFI	RMSEA
Estimates	1.859	0.963	0.966	0.045
Conclusions	Accepted	Accepted	Accepted	Accepted

The indicators to assess the goodness of fit of the model for confirmatory factor analyses and structural equation modeling analyses are displayed in Table 2 (Byrne 2012). These indices suggest measurement and structural equation modeling models achieve the goodness of fit. The χ^2/df of 1.859 is below the 2 value, the preferably accepted limit. Furthermore, TLI of 0.963 and CFI of 0.966 both surpass the 0.95 value, the lowest threshold. RMSEA of 0.045 is smaller than the 0.05 lowest limit. The abovementioned figures demonstrate the measurement and structural equation models satisfy the goodness of fit.

Table 3: Loading Estimates from Confirmatory Factor Analysis

Linkage			Estimate	S.E.	C.R.	P _{value}
VHDN1	<---	VHDN	1.000			
VHDN2	<---	VHDN	.714	.060	11.916	.000
VHDN3	<---	VHDN	1.012	.074	13.613	.000
VHDN4	<---	VHDN	.637	.060	10.698	.000
VHDN5	<---	VHDN	.643	.060	10.719	.000
KTQT1	<---	KTQT	1.000			
KTQT2	<---	KTQT	1.060	.065	16.345	.000
KTQT3	<---	KTQT	.956	.066	14.398	.000
KTQT4	<---	KTQT	1.036	.068	15.277	.000
KTQT5	<---	KTQT	.980	.063	15.579	.000
KTQT6	<---	KTQT	1.092	.069	15.879	.000
KTQT7	<---	KTQT	.991	.068	14.536	.000
KTQT8	<---	KTQT	.958	.068	14.139	.000
KTQT9	<---	KTQT	1.035	.069	14.969	.000
HQKD1	<---	HQKD	1.000			
HQKD2	<---	HQKD	1.119	.072	15.527	.000
HQKD3	<---	HQKD	1.137	.077	14.801	.000
HQKD4	<---	HQKD	1.070	.076	14.167	.000
HQKD5	<---	HQKD	1.124	.080	14.128	.000
HQKD6	<---	HQKD	1.291	.074	17.383	.000
HQKD7	<---	HQKD	1.232	.069	17.860	.000
HQKD8	<---	HQKD	1.275	.073	17.539	.000
HQKD9	<---	HQKD	1.341	.078	17.097	.000
HQKD10	<---	HQKD	1.310	.077	17.122	.000

The loading-estimates of confirmatory factor analyses are presented in Table 3. The loading estimates all surpass the 0.637 value, more than the 0.5 acceptable threshold. Further, except for the linkages (VHDN1 with VHDN, KTQT1 with KTQT, and KQKD1 with HQKD) without the values of P_{value} , due to the constraint of 1, the other loading estimates all obtain the 1% statistical significance level. Hence, again it can ensure that the 24 elements are appropriate for next steps. The structural equation modelling analyses are displayed in Figure 1, which reveals both observed as well as latent variables. This can remove measuring errors and scrutinize the casual relations concurrently.

Table 4 reports indices for statistically investigating the causal relationships. The findings offer statistical supports for the hypotheses H1, 2 & 3, where organizational culture and the acceptance of managerial accounting both affect organizational efficiency with evaluations of 0.222 and 0.275 respectively at the 1% significance value; while organizational culture determines organizational efficiency with a coefficient of 0.214 at a 1% significance value. The results imply that an organization, which adopts sound organizational cultures, is most likely to accept managerial accounting in business, which finally leads to improved organizational efficiency

Figure 1: Structural Equation Model

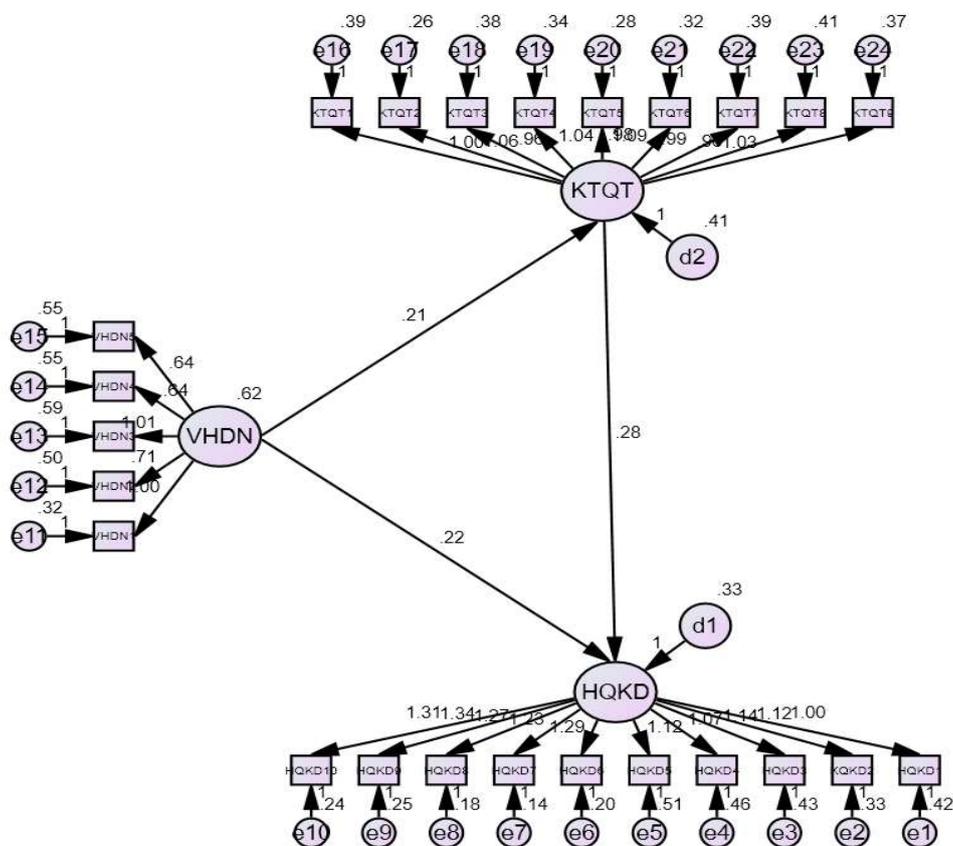


Table 4: Structural Equation Modeling

Causal links			Coefficient	S.E.	C.R	P _{value}	Conclusions
KTQT	<---	VHDN	.214	.048	4.474	.000	H2 Supported
HQKD	<---	VHDN	.222	.045	4.899	.000	H1 Supported
HQKD	<---	KTQT	.275	.052	5.322	.000	H3 Supported

7.3. Mediating Analysis

To explore the mediation impacts, Preacher and Hayes's (2008) techniques were utilized. The results are demonstrated in Tables 5 & 6. As shown in Table 5, organizational culture influences organizational efficiency and also the implementation of managerial accounting at a 1% statistical significance level. The implementation of managerial accounting in business decreases the effect of organizational culture on organizational efficiency from the coefficients of 0.333 to 0.265. Hence, concurring with Preacher and Hayes's (2008), it can argue the implementation of managerial accounting likely intervenes in the effect of organizational culture on organizational efficiency. To statistically inspect the mediation, Aroian's (1947) techniques were undertaken, which is to scrutinize the indirect effect of the mediating variable.

Table 5: Regression for Mediation

Dependent factor	Independent factor	Coefficients	S.E.	t-statistics	P _{value}
HQKD	VHDN	.333	.052	6.319	0.000
KTQT	VHDN	.213	.047	4.504	0.000
HQKD	VHDN	.265	.051	5.147	0.000
	KTQT	.307	.052	5.894	0.000

Table 6: Aroian's (1947) Test

Mediating factor	Linkage	Estimates	S.E.	t _{indirect}	P _{value}	Conclusion
KTQT	VHDN and HQKD	.064	.018	3.563	0.000	H4 Supported

The figures in Table 6 demonstrate the mediating role of managerial accounting on the causal association from organizational culture to efficiency is statistical at the 1% significance value, which statistically supports the mediating hypothesis H4. It is implied that when the acceptance of managerial accounting is involved to predict organizational efficiency, it will diminish the direct causal relations from organizational culture to organizational efficiency.

8. CONCLUSION

The linkages among organizational culture, the adoption of managerial accounting and organizational efficiency have been widely analyzed. However, so far, it seems that only a

few researchers have investigated the research model with considering the mediating role of managerial accounting in the causal link from organizational culture to efficiency. The current work employed structural equation modeling analyses to explore the underlying associations. It also applied mediating procedures to analyze the mediating effect of managerial accounting on the causal link from organizational culture to efficiency. The empirical results disclose organizational culture can improve the implementation of managerial accounting and organizational efficiency that will be in turn determined by managerial accounting. The managerial accounting is found as a mediating variable in the research model of organizational culture and efficiency.

The empirical results offer academics of managerial accounting and organizational culture with a greater understanding of the importance that organizational culture and managerial accounting play in improving organizational efficiency as well as the mediating role of managerial accounting in the model, where the adoption of managerial accounting in business can transmit partial effect of organizational culture on organizational efficiency indirectly through it. The research can allow executives to better understand the complex linkages among organizational culture, managerial accounting and organizational efficiency. Accordingly, they could make better decisions on adopting appropriate organizational cultures as well as suitable accepting levels of managerial accounting in business that likely leads to better organizational efficiency.

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