Bulletin of Environment, Pharmacology and Life Sciences
Bull. Env. Pharmacol. Life Sci.[Spl. Issue 1] 2016: 78-81

Online ISSN 2277-1808
Journal's URL:http://www.bepls.com
CODEN: BEPLAD
Global Impact Factor 0.876
Universal Impact Factor 0.9804
http://doi-ds.org/doilink/05.2016-13212626/

OPEN ACCESS

The effect of cost Accounting change on the performance of Manufacturing Companies in Khuzestan

Zahra Saki Olad[1*] , Hushang Amiri[2]**
[*]Department of Accounting , Persian Gulf International Branch , Islamic Azad university , khorramshahr , Iran
[**]Department of Accounting , Persian Gulf International Branch , Islamic Azad university , khorramshahr , Iran
Corresponding author: Hushang Amiri[2**]

ABSTRACT
The aim of this study was to evaluate the impact of the cost accounting change on the performance of manufacturing companies in Khuzestan Province. The Kolmogorov-Smirnov and regression tests were applied to examine the hypotheses using SPSS 22 software. Based on the results, there is a positive relationship between cost accounting change with changes in the pricing system and financial performance. Also, cost accounting change and changes in the pricing system are positively correlated. The relationship between cost accounting change and financial performance is more positive when the perceived environmental uncertainty is high. Finally, the correlation between changes in the pricing system and financial performance is more positive when the perceived environmental uncertainty is high.
Keywords: Cost accounting change, changes in pricing system, the company's performance.

Received 21.09.2016 Revised 20.10.2016 Accepted 01.11.2016

INTRODUCTION

The features of stock market has caused that both companies and investors consider the capital market a perfect place to attract financing and investment. Today, the Stock Exchange is one of the economic institutions in developed countries that reflect the socio-economic situations in these countries. On the other hand, any instability in the Stock Exchange can also lead to huge economic crises [1-10]. This study outlines the effects of cost accounting change on the performance of manufacturing firms in Khuzestan Province.

PROBLEM STATEMENT

Cost accounting is one of the most important management accounting systems. In general, it is expected that the impact of changes in cost accounting on the performance to be positive for any management accounting. It is also expected that changes in cost accounting to help the management improve the company's operations and redirect strategic decisions. By lowering costs, cost accounting changes can be anticipated to improve financial performance through better utilization of resources and avoiding additional costs.

RESEARCH METHOD

Research data were collected using the information provided by a total of 256 employees of manufacturing companies in Khuzestan Province. The obtained data were analyzed using the software SPSS 22.

Hypotheses

Hypothesis 1: There is a positive relationship between cost accounting change and financial performance.

Hypothesis 2: There is a positive relationship between changes in the pricing system and financial performance.

Hypothesis 3: There is a positive relationship between cost accounting change and changes in the pricing system.

H4: The relationship between cost accounting change and financial performance is more positive when the perceived environmental uncertainty is high.

Testing the hypotheses

The first hypothesis

The results of the regression are as follows:

Table1. Model summary

Statistics	Amounts
Pearson's correlation coefficient	0.628
Significance level	0.000
Coefficient of determination	0.394
Adjusted coefficient of determination	0.392

In the above table, the Pearson's correlation coefficient is equal to 0.628 and the significance level is 0.00, which is less than 0.05 showing a significant positive relationship between the cost accounting change and financial performance. The coefficient of determination is equal to 0.394, indicating that cost accounting change justifies about 40% of the financial performance.

Table 2. Analysis of variance

Model	Sum of squares	df	Average of squares	F statistics	Significance level
Regression	41.230	1	41.230	165.200	0.000
Remaining	63.392	254	0.250		
Total	104.622	255			

In the above table, the significance level is 0.00, which is less than the acceptable error rate (0.05), hence, the null hypothesis is rejected and the regression is statistically significant.

Table 3. Regression coefficients

Variable	Parameter estimation	SE	T statistics	Significance level
Intercept, β0	1.747	0.149	11.708	0.000
Cost accounting change β1	0.482	0.038	12.853	0.000

According to the results in the above table, the significance level of intercept coefficient is equal to 0.000, which is less than 0.05. Also, the significance level of coefficient of cost accounting change variable is 0.00, which is less than 0.05. According to the estimated positive coefficient of 0.482, it can be concluded that the there is a direct and significant correlation between cost accounting change and financial performance.

Financial performance = 1.747 + 0.482 cost accounting change, therefore, the first hypothesis is accepted at a confidence level of 95%.

The second hypothesis

The results of the regression are as follows:

Table 4. Model summary

Statistics	Amounts
Pearson's correlation coefficient	0.469
Significance level	0.000
Coefficient of determination	0.220
Adjusted coefficient of determination	0.217

In the above table, Pearson's correlation coefficient is equal to 0.469 and the significance level is 0.00, which is less than 0.05 showing a direct and significant relationship between the changes in the pricing system and financial performance. The coefficient of determination is equal to 0.220, indicating that changes in the pricing system justifies about 22% of the financial performance.

Table 5. Analysis of variance

Model	Sum of squares	df	Average of squares	F statistics	Significance level
Regression	23.041	1	23.041	71.737	0.000
Remaining	81.581	254	0.321		
Total	104.622	255			

In the above table, the significance level is 0.00, which is lower than the acceptable error rate (0.05), hence, the null hypothesis is rejected and the regression is statistically significant.

Table 5. Regression coefficients

Variable	Parameter estimation	SE	T statistics	Significance level
Intercept β0	2.168	0.175	12.364	0.000
Changes in the pricing system β1	0.389	0.046	8.470	0.000

According to the results in the above table, the significance level of intercept coefficient is equal to 0.000, which is lower than 0.05. Also, the significant level of the coefficient of changes in the pricing system variable is 0.00, which is lower than 0.05. According to the estimated positive coefficient of 0.389, it can be stated that changes in the pricing system and financial performance are significantly and directly correlated.

Changes in the pricing system = 2.168 + 0.389 financial performance, therefore, the second research hypothesis is accepted at a confidence level of 95%.

The third hypothesis

The results of the regression are as follows:

Table 6. Model Summary

Statistics	Amounts
Pearson's correlation coefficient	0.427
Significance level	0.000
Coefficient of determination	0.183
Adjusted coefficient of determination	0.179

In the above table, Pearson's correlation coefficient is equal to 0.427 and the significance level is 0.00, which is less than 0.05 showing a direct and significant relationship between cost accounting change and changes in the pricing system. The coefficient of determination amounts to 0.183, indicating that cost accounting change justifies about 18% of changes in the pricing system.

Table 7. Analysis of variance

Model	Sum of squares	df	Average of squares	F statistics	Significance level
Regression	19.110	1	19.110	56.762	0.000
Remaining	85.513	254	0.337		
Total	104.622	255			

In the above table, the significance level of the test is 0.00, which is lower than the acceptable error rate (0.05), hence, the null hypothesis is rejected and the regression is statistically significant.

Table 8. Regression coefficients

Variable	Parameter estimation	SE	T statistics	Significance level
Intercept β0	1.439	0.292	4.930	0.000
Cost accounting change β1	0.505	0.067	7.534	0.000

According to the results in the above table, the significance level of intercept coefficient is equal to 0.000, which is less than 0.05. The significance level of cost accounting change variable also amounts to 0.00, which is less than 0.05. According to the estimated positive coefficient of 0.505, it can be concluded that there is a significant and direct relationship between cost accounting change and changes in the pricing system:

Cost accounting change = 1.439+0.505 changes in the pricing system, thus, the third hypothesis is accepted at a significance level of 95%.

The fourth hypothesis

The results of the regression are as follows:

Table 9. Model summary

Statistics	Amounts
Pearson's correlation coefficient	0.520
Significance level	0.000
Coefficient of determination	0.270
Adjusted coefficient of determination	0.267

In the above table, Pearson's correlation coefficient amounts to 0.520 and the significance level is 0.00, which is less than 0.05 showing that the relationship between the cost accounting change and financial performance is more positive when the perceived environmental uncertainty is high. The coefficient of determination is equal to 0.270, indicating that cost accounting change justifies more positively about 27% of financial performance when the perceived environmental uncertainty is high.

Table 10. Analysis of variance

Model	Sum of squares	df	Average of squares	F statistics	Significance level
Regression	28.272	1	28.272	94.057	0.000
Remaining	76.350	254	0.301		
Total	104.622	255			

In the above table, the significance level of the test is 0.00, which is less than the acceptable error rate (0.05), hence, the null hypothesis is rejected and the regression is statistically significant.

Table 11. Regression coefficient

Variable	Parameter estimation	SE	T statistics	Significance level
Intercept β0	0.387	0.335	1.154	0.250
Cost accounting change β1	0.728	0.075	9.698	0.000

The significance level of the variable cost accounting change coefficient is 0.00, which is less than 0.05. According to the estimated positive coefficient of 0.728, it can be concluded that cost accounting change and financial performance are more positive when the perceived environmental uncertainty is high, and financial performance is more positive, 0.728= cost accounting change, therefore, the fourth research hypothesis is accepted at a significance level of 95%.

REFERENCES

1. Philip Hans, F. and Dijk, V. (2000). "Nonlinear Time Series Models in Emperical Finance" Camberidge University Press.
2. Hudson, R.; Dempsey, M. and Keasey, K. (1996). "A Note on the Weak Form Efficiency of Capital Markets: The Application of Simple
3. Technical Trading Rules to UK Stock Prices- (1935)to (1994)", Journal of Banking and Finance,Vol. 20, pp: 1121-.1132
4. Ming, L. M.; Nor, F. M. and Guru, B. K. (2000). "Technical Analysis in the Malaysian Stock Market: An Empirical Evidence", Quarterly Journal of Business Economics.
5. Ratner, M.; Leal, Ricardo, P. C. (1999). "Tests of Technical Trading Strategies in the Emerging Equity Markets of Latin America and Asia", Journal of Banking and Finance, Vol. 23. No. 12, December 1999, pp:
6. Eric Girardin a, Roselyne Joyeux (2013) Macro fundamentals as a source of stock market volatility in China:A GARCH-MIDAS approach, Aix-Marseille University, Aix-Marseille School of Economics, CNRS, EHESS, France Macquarie University, Sydney, Australia.
7. Kuan-Cheng K, Shinn-Juh Lin, Hsiang-Ju Su, Hsing-Hua Chang, (2014) Value investing and technical analysis in Taiwan stock market.
8. Balduzzi, P., Lynch, A.W., (1999). Transaction costs and predictability: some utility cost calculations. Journal of Financial Economics 52, 47–.78
9. Bauman, W.S., Conover, C.M., Miller, R.E., (1998). Growth versus value and large-cap versus small-cap stocks in international markets. Financial Analysts Journal 54, 75–.89
10. Brock, W., Lakonishok, J., LeBaron, B., (1992). Simple technical trading rules and the stochastic properties of stock returns. Journal of Finance 47, 1731–.1764