Relationship between competency as per the international education standards for accounting professionals and the awareness and understanding of the Thai financial reporting standards for small and medium sized enterprises: A case study of accounting professionals in Thailand's southern region

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ARTICLE INFO

ABSTRACT

The aims of this empirical research were to investigate the competency levels according to the International Education Standards (IES) for Accounting Professionals and the awareness and understanding (perception) level with regard to the Thai Financial Reporting Standards (TFRS, a new set of local accounting standards to take effect in 2017) for Small and Medium Sized Enterprises (SMEs) of accountants in southern Thailand; to test the differences in the perception of the TFRS for Non-Publicly Accountable Entities (NPAEs) and for SMEs; and to examine the relationships between five IES competencies and the perception of the TFRS for SMEs. The sample size was 425 accountants working in one of the 14 southern provinces of the country. Descriptive analysis and multiple regression were employed for analysis of the data. The research findings revealed that of the five IES competencies, the skills competency was the most prominent in the participating accountants, followed by the relations, analysis, ethics, and knowledge competencies. In addition, the perception levels of the TFRS for NPAEs and SMEs were both medium and no significant difference was found between the perception of the TFRS for NPAEs and SMEs. Nonetheless, statistically significant relationships existed for gender, age, work experience, and analysis competency with the perception of the TFRS for SMEs. Age, work experience, and relations competency significantly influenced the perception level of the TFRS for NPAEs. This research was the first to investigate Thai accountants' perception (awareness and understanding) of the TFRS for SMEs.

Introduction

The full implementation of the ASEAN Economic Community (AEC) on the last day of 2015 has paved the way for the free flow of skilled labor in eight occupations: accountancy, architecture, dentistry, engineering, medical, nursing, surveying, and tourism (Srijunpetch, 2012). For Thailand, a member state of the 10-nation economic bloc,

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Peer review under responsibility of Kasetsart University.

the economic integration necessitates that the country's accounting practices and accounting professionals undergo changes to be more aligned with international standards, including the International Education Standards (IES) for Accounting Professions and the International Financial Reporting Standards (IFRS) (Department of Trade Negotiations, 2011).

Due to the unequal accounting education standards and requirements between AEC member countries, it is of paramount importance for the establishment of the IES for Accounting Professions to guarantee the competency of human capital in the accounting industry (International Accounting Education Standards Board, 2013). In Thailand, the Federation of Accounting Professions (FAP), under the Royal Patronage of His Majesty the King, has administered the IES for accounting practitioners since 2001.

Thailand has two standards for accounting reporting for the IFRS: the Thai Financial Reporting Standards (TFRS) for Publicly Accountable Entities (PAE) and the Thai Financial Reporting Standards (TFRS) for Non-Publicly Accountable Entities (NPAE) (Klose & Sabangban, 2011). The former are applicable to listed companies and the latter to non-listed firms, including partnerships and limited companies (FAP, 2011). In 2017, Thailand's FAP will launch a new set of accounting standards, called the Thai Financial Reporting Standards (TFRS) for Small and Medium Sized Enterprises (SMEs). With the launch, a number of NPAEs are required to abandon the current practice of the TFRS for NPAEs and adopt the TFRS for SMEs.

The switching from the TFRS for NPAEs to the new set of reporting rules for SMEs presents business organizations with two challenges. First, the TFRS for NPAEs are home-grown accounting standards intended for non-listed Thai businesses, whereas the TFRS for SMEs are predicated on the IFRS for SMEs, which are the accounting standards adopted worldwide, including by the ASEAN member countries. The transition to the SME-oriented reporting standards thus requires that Thai accountants equip themselves with a new set of skills relevant to the international standards. Nevertheless, at present there is no clear direction to prepare Thai accountants for the implementation of the TFRS for SMEs, thus leading to a question as to the readiness of the NPAE accountants when the new set of standards takes effective. The second challenge concerns a lack of prior research on accounting professionals' perception (awareness and understanding) of the TFRS for SMEs in the Thai setting and on the influencing factors of the perception level of the TFRS for SMEs in Thailand.

Thus, the aims of this research were to investigate the competency levels according to the IES for Accounting Professionals and the perception (awareness and understanding) level of the TFRS for SMEs for accountants in southern Thailand; to identify the differences in the perception of the TFRSs for NPAEs and for SMEs; and to determine the relationships between the IES competencies and the perception of the TFRS for SMEs. In other words, this research attempted to answer the following questions. (1) What are the IES competency levels and the perception level of the TFRS for SMEs for Thai accountants in the southern region of the country? (2) Is there a difference between the perception levels of the TFRS for NPAEs and for SMEs? (3) Is there a relationship between the IES competency and the perception level of the TFRS for SMEs?

The study can make some expected contributions by shedding light on the direction and effective means to prepare the NPAE accountants for the advent of the TFRS for SMEs. Furthermore, this research would contribute to the existing pool of knowledge with new findings that would be of great use to future research in accounting.

Literature Review and Hypothesis Development

Despite no direct prior research on the perception (awareness and understanding) of the TFRS for SMEs in the Thai setting and on the relationship between the IES competencies and the perception of the TFRS for SMEs, there exist publications implicitly concerned with these topics, such as Buachoom (2011), Kaewphap (2011), Steelyana (2012), Sumonka (2011), the ASEAN Federation of Accountants (2013), Nassar, Al-Khadash, and Mah'd (2013), and Suttipun (2013, 2014). This research has thus proposed and examined the 10 following hypotheses:

In Thailand, accounting is a profession with a greater proportion of female personnel than male counterparts. According to Sumonka (2011) and Suttipun (2013), females are more detail-oriented, a characteristic crucial to a career in accounting. Nonetheless, due to the absence of prior research on the relationship between gender and the perception (awareness and understanding) of the new accounting standards, including the TFRS for NPAEs and SMEs (Buachoom, 2011; Sumonka, 2011; Suttipun, 2013), this current research examined whether:

H1a: A relationship exists between gender and the perception of the TFRS for NPAEs.

H1b: A relationship exists between gender and the perception of the TFRS for SMEs.

According to Buachoom (2011), a negative relationship existed between age and the perception of new accounting standards. This finding could be attributed to the fact that modern accounting standards are typically incorporated in the curriculum for newer generations of accountants as opposed to that of older generations of accountants (Suttipun, 2013). On the other hand, Sumonka (2011) found no correlation between the two variables. This current research proposed that:

H2a: A negative relationship exists between age and the perception of the TFRS for NPAEs.

H2b: A negative relationship exists between age and the perception of the TFRS for SMEs.

According to Buachoom (2011) and Sumonka (2011), the length of experience could influence the perception of accountants with regard to the new accounting standards. In other words, it is not uncommon for accounting professionals with more years of experience who are under constant pressure to acquire and update themselves with new knowledge relevant to the accounting standards vis-à-vis those with fewer years of experience. Nevertheless, Suttipun (2013) found no relationship between the two variables. This current research hypothesized that:

H3a: A positive relationship exists between length of experience and the perception of the TFRS for NPAEs.

H3b: A positive relationship exists between length of experience and the perception of the TFRS for SMEs.

In Thailand, the FAP stipulates that the accountants of a limited company or a listed company hold a bachelor's degree or higher in accounting and those affiliated with a partnership require a vocational diploma in accounting (lower than a bachelor's degree). According to Buachoom (2011) and Suttipun (2013), the education level and the perception of accounting standards were positively correlated. Nevertheless, Sumonka (2011) reported no relationship between the two variables. Specifically, this current research separated the sampled accountants into two groups by their educational level in accordance with multiple regression. The first group refers to accountants with a bachelor's degree in accounting and the second group to those with either a vocational diploma, a master's degree or a Ph.D. in accounting. This current research proposed that:

H4a: A positive relationship exists between the education level and the perception of the TFRS for NPAEs.

H4b: A positive relationship exists between the education level and the perception of the TFRS for SMEs.

This current study focused on two business types: limited companies and partnerships. It is commonly believed that the accounting requirements of a limited company are more complex than for a partnership. In addition, a limited company involves more stakeholders in terms of both number and variety vis-à-vis a partnership organization. Thus, it is possible that a relationship exists between the type of business and the perception of accounting standards. According to Buachoom (2011) and Sumonka (2011), a relationship did exist between the two variables. On the contrary, Suttipun (2013) found no relationship between both variables. To validate, this current research hypothesized that:

H5a: A positive relationship exists between business type and the perception of the TFRS for NPAEs.

H5b: A positive relationship exists between business type and the perception of the TFRS for SMEs.

In addition, this current research investigated the relationships between five IES competencies and the perception of the TFRS for NPAEs and SMEs. The five IES competencies were: ethics, knowledge, skills, relations, and analysis. With regard to the ethics competency, Steelyana (2012) and Suttipun (2014) documented a positive relationship between the ethics competency and the readiness/perception of accounting students toward the AEC. Nevertheless, the ASEAN Federation of Accountants (2013) reported no relationship between the two variables. Thus we hypothesized that:

H6a: There is a positive relationship between the ethics competency and the perception of the TFRS for NPAEs.

H6b: There is a positive relationship between the ethics competency and the perception of the TFRS for SMEs.

Knowledge competency refers to the mastery of new accounting theories, concepts, practices, and standards, such as the TFRS or risk management. According to Sinlarat (2011), Pongtanee (2008), and the ASEAN Federation of Accountants (2013), there was a positive relationship between knowledge competency and the readiness/perception of new accounting standards. On the other hand, Suttipun (2014) reported no relationship between both

variables. Nevertheless, this current research hypothesized that:

H7a: There is a positive relationship between the knowledge competency and the perception of the TFRS for NPAEs.

H7b: There is a positive relationship between the knowledge competency and the perception of the TFRS for SMEs.

The skills competency according to the IES entails skills in analysis, synthesis, evaluation, and decision-making. According to Sinlarat (2011), Steelyana (2012), the ASEAN Federation of Accountants (2013), and Suttipun (2014), a positive relationship existed between the skill competency and the readiness/perception of new accounting standards. To verify this, the following hypotheses were proposed:

H8a: There is a positive relationship between the skill competency and the perception of the TFRS for NPAEs.

H8b: There is a positive relationship between the skill competency and the perception of the TFRS for SMEs.

The relations competency refers to leadership, teamwork, and self-development. According to Kunklaw (2014), Sinlarat (2011), and Suttipun (2014), a positive relationship existed between the relations competency and the readiness/perception of new accounting standards. On the contrary, the ASEAN Federation of Accountants (2013) found no relationship between the two variables. To validate this, the current research hypothesized that:

H9a: There is a positive relationship between the relations competency and the perception of the TFRS for NPAEs.

H9b: There is a positive relationship between the relations competency and the perception of the TFRS for SMEs.

According to Steelyana (2012) and the ASEAN Federation of Accountants (2013), analysis competency and the readiness/perception of new accounting standards were positively correlated. Nevertheless, no relationship between the two variables has been documented (Pongtanee, 2008; Sinlarat, 2011; Suttipun, 2014). Thus, it was hypothesized that:

H10a: A positive relationship exists between the analysis competency and the perception of the TFRS for NPAEs.

H10b: A positive relationship exists between the analysis competency and the perception of the TFRS for SMEs.

Methods

In this research, the population was accountants who had registered with Thailand's Department of Business Development and were working in one of the 14 southern provinces of the country. Through simple random sampling, an initial sample of 800 accountants was individually mailed a copy of the survey questionnaire to gather data on their demographics, IES competencies, and perceptions of the TFRS for SMEs and NPAEs. Yamane (1973) suggested that the right sample size in this study at the .01 significance level was 363.

The questionnaire was adapted from previous studies on accounting education in emerging markets where the business conditions were similar to those of Thailand (Downing & Thackrey, 1971; Kunklaw, 2014; Nassar et al., 2013; Suttipun, 2014). The survey questionnaire consisted

of four parts. The first part was concerned with the demographics of the accountants (gender, age, work experience, education level, and business type). The second and third parts, respectively, dealt with the accountants' perception (awareness and understanding) levels of the TFRS for NPAEs and SMEs. Both parts contained 20 questions. The minimum and maximum scores of each part and each participating accountant were set at .00 and 20.00, respectively. In this research, the scores were categorized into five levels (Silpcharu, 2010): .00–4.00, 4.01–8.00, 8.01–12.00, 12.01–16.00, and 16.01–20.00, respectively, for the lowest, low, medium, high and highest levels of perception (awareness and understanding), respectively. The last part of the questionnaire concerned the IES competency levels of five competencies: ethics, knowledge, skills, relations, and analysis. The level of competency was determined using a five-point Likert scale, where 1, 2, 3, 4, and 5 indicated competency levels of lowest, low, moderate, high, and highest, respectively. To encourage participation in the survey, the questionnaire was deliberately concise and contained only closed-ended questions. In this research, the definitions of the scores were: 1.00–1.49, 1.50–2.49, 2.50–3.49, 3.50–4.49 and 4.50–5.00, to indicate the lowest, low, medium, high, and highest competency levels, respectively. In total, 800 copies of the questionnaire were initially mailed to 800 accountants working in Thailand's 14 southern provinces. The questionnaire delivery and collection lasted between September 2015 and February 2016.

In this research, the perception (awareness and understanding) levels of the TFRS for NPAEs and for SMEs were the two dependent variables of interest. There were two groups of independent variables. The first group was concerned with the demographics of the participating accountants (gender, age, work experience, education level, and business type), while the second group of independent variables pertained to the five IES competency levels of the accountants (ethics, knowledge, skill, relations, and analysis competencies).

Prior to the distribution of the questionnaires, two university-level accounting lecturers were recruited for pre-testing to determine the clarity and relevance of the questions and instructions. In addition, Cronbach's alpha test was utilized to test the reliability of the questionnaire. The reliability coefficients of the independent and dependent variables were .898 and .846, respectively, both of which are in excess of .70 (Sekaran & Bourgie, 2010).

The data were collected and analyzed using the SPSS statistical software package version 21. Descriptive analysis (frequency, percentage, mean and standard deviation) was used to determine the accountants' demographics, the IES competency levels, and the perception of the TFRS for SMEs. In addition, the paired sample t-test was utilized to test the difference in the perception levels between the TFRS for SMEs and NPAEs. Furthermore, multiple regression was used to determine the relationships between the IES competency levels and the perception level of the TFRS for NPAEs (Model A); and between the IES competency levels and the perception level of the TFRS for SMEs (Model B). The multiple regression models (Models A and B) were expressed as:

$$Y1 = a + b1X1 + b2X2 + b3X3 + b4X4 + b5X5 + b6X6 + b7X7 + b8X8 + b9X9 + b10X10 + \text{error (Model A)}$$

$$Y2 = a + b1X1 + b2X2 + b3X3 + b4X4 + b5X5 + b6X6 + b7X7 + b8X8 + b9X9 + b10X10 + \text{error (Model B)}$$

where Y1 is the perception of the TFRS for NPAE (NPAEs), Y2 is the perception of TFRS for SME (SMEs), X1 is gender (Gender), X2 is age (Age), X3 is work experience (WorkEx), X4 is the education level (Education), X5 is the business type (Business), X6 is the ethics competency (Ethic), X7 is the knowledge competency, (Knowledge) X8 is the skill competency (Skill), X9 is the relation competency (Relation), and X10 is the analysis competency (Analysis).

Results and Discussion

Out of the 800 questionnaires distributed, only 503 were answered and returned, of which 425 were analytically adequate. Thus, the sample size of this current research was 425 accountants. Table 1 shows the average IES competency levels, the perception levels of the TFRS for SMEs and NPAEs, and the participating accountants' demographics (n = 425).

In Table 1, the average total IES competencies score of 3.77 falls in the high competency level category (3.50–4.49). Of the five competencies, the ethics, skills, relations, and analysis competencies were all in the high competency level category except for the knowledge competency which was in the medium level category. The findings are similar to Suttipun (2014), who reported high ethics, skill (capability), and relations competency levels in Thai accounting students. On the perception levels of the TFRS for SMEs and NPAEs, the mean scores were 11.44 and 11.58, respectively, which were in the medium level category (8.01–12.00). This is consistent with Srijunpetch (2012), who documented that Thai accountants possessed only a fair knowledge of the new accounting standards. By comparison, the competencies of Thai accountants were higher than for their Vietnamese (Nguyen & Gong, 2012) and Indonesian (Steelyana, 2012) counterparts, whose

Table 1
Descriptive analysis of participating accountants

				(n = 425)
Variable	Mean	SD	Minimum	Maximum
Age	37.37	9.032	22	68
WorkEx	12.12	8.365	0.5	43
SMEs	11.44	3.165	0	17
NPAEs	11.58	2.878	0	18
Ethic	3.63	0.454	1.4	5.0
Knowledge	3.35	0.654	1.0	5.0
Skill	4.05	0.446	1.0	5.0
Relation	3.92	0.452	1.1	5.0
Analysis	3.88	0.471	1.0	5.0
Total competencies	3.77	0.399	1.0	5.0

Table 2
Paired sample t-test results

Variable	Mean	SD	SE	t	df	Sig
NPAEs-SMEs	0.14353	3.44849	1.6728	0.858	424	.391

competency levels were both in the low level category. However, the competencies of Thai accountants were lower than in Malaysia and Singaporea (Kanitpong, 2010). To enhance the IES competencies of Thai accountants, the Department of Business Development of the Ministry of Commerce has thus increased the compulsory training period from 9 to 12 h per year.

Table 2 presents the paired perception levels of the TFRS for NPAEs and SMEs using the paired sample t-test technique. The results indicated no difference in the perception levels between the TFRS for NPAEs and SMEs at the .05 significance level. The findings however were inconsistent with Chand, Patel, and Cummings (2006), who reported significant differences in the perception between the International Financial Reporting Standards (IFRS) and the local accounting standards in Australia, New Zealand, and Fiji. The discrepancy could be attributed to the fact that the local TFRS sets for NPAEs are predicated on the USA Generally Accepted Accounting Principles (GAAP), which is an equivalent of the IFRS. It is thus possible that there was no difference in the levels of perception between the TFRS for NPAEs and SMEs.

In Table 3, the correlation matrix of the Variance Inflation Factor (VIF) was used to test for multicollinearity between the variables used in this study. The results show 2.168 as the maximum VIF level at the .01 significance level. Moreover, the relationship level (t) between each pair of variables was not over .750; therefore, all variables in this study could be used and tested in the multiple regression model.

Multiple regression was used to examine the relationships between the IES competencies and the perception of the TFRS for NPAEs (Model A) and SMEs (Model B) at the .05 and .01 significance levels (Table 4). In Model A, significant and positive relationships existed between work experience and the perception level of the TFRS for NPAEs and between the relations competency and the perception level of the TFRS for NPAEs at the .05 significance level. The results support the acceptance of hypotheses 2a, 3a, and 9a, while hypotheses 1a, 4a, 5a, 6a, 7a, 8a, and 10a were rejected. The findings are consistent with Suttipun (2014), who documented a positive correlation between the relations competency and the readiness level of Thai accounting students

toward the AEC at the .01 significance level. On the other hand, age and the perception level of the TFRS for NPAEs were negatively correlated. Nevertheless, no statistically significant relationship was detected between the other remaining competencies (ethics, knowledge, skills, and analysis competencies) and the perception level at the .05 significance level. Likewise, no significant relationship existed between gender, education level, and business type and the perception level of the TFRS for NPAEs.

In Model B, significantly positive relationships were found between work experience and the perception level of the TFRS for SMEs and between the analysis competency and the perception level at the .05 significance level. On the other hand, gender, age, and the perception level of the TFRS for SMEs were inversely correlated. No statistically significant relationship was detected between the remaining competencies (ethics, knowledge, skills, and relations competencies) and the perception level at the .05 significance level. In addition, no statistical relationships existed between the education level and business type with the perception level of the TFRS for SMEs. These supported the acceptance of hypotheses 1b, 2b, 3b, and 10b, while hypotheses 4b, 5b, 6b, 7b, 8b, and 9b were rejected.

The current findings of a significant relationship between gender and the perception level of the TFRS for SMEs were in contrast with those of Buachoom (2011), Sumonka (2011), and Suttipun (2014). The findings of the current research indicated that female accountants are more detail-oriented and attentive than their male counterparts and thereby are more likely to possess a higher perception level of new accounting standards.

The negative relationship between age and the perception of the TFRS for NPAEs and SMEs in this study is consistent with Sumonka (2011) and Suttipun (2014). In other words, younger generations of accountants exhibit a higher perception level toward new accounting standards vis-à-vis older generations of accountants; a fact which is attributable to differences in the curricula in which the younger generations of accounting professionals, in comparison with their older counterparts, have greater exposure to the international accounting standards, such as the TFRS and the IES for accounting professions and ASEAN taxation. In addition, since 2011 Thailand's FAP has required the incorporation of the TFRS for NPAEs in the curriculum for accounting students (FAP, 2011).

Furthermore, the findings that the accountants' work experience was positively correlated with the perception of the TFRS for NPAEs and SMEs are consistent with Buachoom (2011) and Sumonka (2011). Specifically, it is not

Table 3
Correlation matrix

	1	2	3	4	5	6	7	8
NPAEs	1	.352[**]	.025	.020	.039	.188[**]	.076	.048
SMEs		1	.034	.000	.009	.000	.311[**]	.008
Ethics			1	.522[**]	.532[**]	.538[**]	.531[**]	.775[**]
Knowledge				1	.406[**]	.430[**]	.508[**]	.754[**]
Skill					1	.746[**]	.680[**]	.807[**]
Relation						1	.810[**]	.857[**]
Analysis							1	.858[**]

[**]Significant at .01 level

Table 4
Multiple regression analysis

Variable	Expected direction	Model A (NPAEs)	Model B (SMEs)
Intercept		3.906 (.000**)	5.249 (.000**)
Gender	+/−	0.153 (.879)	−2.062 (.040*)
Age	−	−1.997 (.047*)	−2.477 (.014*)
WorkEx	+	1.988 (.048*)	2.399 (.017*)
Education	+	0.249 (.804)	0.501 (.617)
Business	+/−	0.912 (.362)	1.844 (.066)
Ethic	+	0.757 (.450)	0.108 (.914)
Knowledge	+	0.182 (.856)	0.090 (.928)
Skill	+	0.663 (.508)	0.814 (.416)
Relation	+	2.049 (.041*)	1.300 (.195)
Analysis	+	0.284 (.777)	2.597 (.011*)
R Squared		0.250	0.248
Adjusted R Squared		0.212	0.211
F-value		.038*	.040*

Note. * Significant at .05 level, ** Significant at .01 level

uncommon for accounting professionals with more years of experience to be under constant pressure to acquire and update themselves with new knowledge relevant to the accounting standards vis-à-vis those with fewer years of experience. Moreover, increasing the number of practical hours for accountants' working experience is suggested to improve the perception of the TFRS for NPAEs.

Consistent with Sinlarat (2011), Kunklaw (2014) and Suttipun (2014), the relationships between the relation competency and the perception (awareness and understanding) of the TFRS for NPAEs and SMEs were positively correlated. Specifically, the majority of business organizations in the study area (14 southern provinces of Thailand) were of small or medium size (NPAEs). This contributed to the scarcity in the region of experienced and highly skilled accounting professionals whose affiliations are most likely with listed firms in the capital, Bangkok. The disproportionate distribution of skilled accounting professionals necessitates the NPAEs to rely more on the accounting authorities or regulators for expert advice, which in turn requires the relation competency on the former's part. Therefore, there is a positive relationship between the relation competency and the perception (awareness and understanding) of the TFRS for NPAEs. From the results on the relationship, the study suggests that the development of a network and connection between Thai accountants will lead to better percepion of the TFRS for NPAEs.

The relationship between analysis competency and the perception of the TFRS for SMEs was positively correlated, similar to Steelyana (2012) and the ASEAN Federation of Accountants (2013), whose findings on the relationship between analysis competency and the perception of new accounting standards were positively correlated. Because the TFRS for SMEs are predicated on the International Financial Reporting Standards (IFRS) for SMEs, in which accounting entries and reporting require analysis. In addition, the TFRS for SMEs are principle-based rather than rule-based (FAP, 2011). For instance, a building in which a business organization invests can be categorized as either property, plant and equipment, or investment property, depending on the organization's objective for the building.

Specifically, if the building is for the operation of the business, it would be regarded as property, plant and equipment. On the other hand, if there is no specific purpose for the acquired building, it would be viewed as an investment property. This thus renders the analysis competency crucial in the adoption of the TFRS for SMEs. Moreover, changing the content and context in accountants' seminars from lecturing to practical and analytical sessions could improve the perception of the TFRS for SMEs.

Conclusion and Recommendation

It is expected that the research findings will contribute to the existing body of knowledge on accounting and be of subsequent use to future accounting researchers whose interest also lies in Thailand's south. In addition, it is expected that the findings with respect to the correlations between the IES competencies and Thai accountants' perception levels of the TFRS should galvanize concerned agencies, such as the FAP, the Department of Business Development, and educational institutions into improving the competencies of Thai accountants. Specifically, Thailand's Department of Business Development, which is responsible for the design and content of compulsory training programs for Thai accountants, should allocate more resources to enhance the accountants' analysis competency as it is positively related to their perception level of the TFRS for SMEs. Furthermore, the research results revealed that the overall competencies of Thai accountants fall in the medium level category, while neighboring Malaysia and Singapore are in the high level category (Kanitpong, 2010). Thus, attempts should be made to strengthen the competencies in the low level category to narrow the gap. The other managerial implications from the results of this study are relevant to government organizations as governance agencies: (1) to develop the network between Thai accountants to increase perception of the TFRS, (2) to change the content and context of seminars from lecturing to practical and analysis sessions to improve the perception of the TFRS, and (3) to add more accountant practical hours to improve accountants' work experience.

This research nonetheless encountered certain limitations. First, there could be other factors in addition to those investigated that influence Thai accountants' perception (awareness and understanding) of the TFRS. Second, the sample size of 425 accountants was somewhat small and the study area was limited to only the 14 southern provinces of Thailand. Lastly, the comparison was less comprehensive in that only four member states (Indonesia, Malaysia, Singapore, and Vietnam) out of the 10 in the AEC were investigated. Thus, future research should attempt to explore other factors that could influence Thai accountants' perception of the TFRS and to increase the sample size to cover the whole country. Moreover, comparisons between the AEC member countries with regard to the IES competencies should be more comprehensive.

Conflicts of interest

None.

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