

# The Wisdom Development on Cost Accounting for Career of People in Sisaket Province

**Dr. Piyachat Thongpaeng**

Assistant Profesor, Department of Accounting, Faculty of Business Administration and Accounting, Faculty of Business Administration and Accounting, Sisaket Rajabhat University, Thailand  
Email: piyachat.t@sskru.ac.th

## ABSTRACT

This research aimed to propose a guideline to develop the wisdom on cost accounting for career of the people in Sisaket Province. The data collection tools were an interview form and a questionnaire. The samples used in the study were voluntary representatives from people, professional groups and community enterprises divided into 2 groups: 90 samples for the wisdom on cost accounting for career and 60 samples for trial on accounting entry using participatory action research process. The statistics used for data analysis were mean, standard deviation, frequency and percentage. The findings revealed that samples used a simple accounting method. They required the government agencies to provide training on accounting at 56% and to apply the practical knowledge at moderate level of 3.22. In addition, the result of wisdom development cost accounting for career (simple learning version for people) was used as a guideline for cost accounting for career which was appropriate with the way community people in Sisaket Province earned their living.

## Keywords

Development; Wisdom; Accounting; Cost Accounting for Career; Community

## Introduction

Referring to the main vision framework of the 12th National Economic and Social Development Plan (2017 - 2021), it consists of planning, implementing and applying the sufficiency economy philosophy based on people as the center of participatory development of raising income and opportunity in career, including increasing productivity and reduce agricultural cost. Regarding the increasing of economic potential, people must have knowledge in career and production cost reduction and various academic related to accounting to manage and reduce production cost.

The accounting or recording of expenditures are useful to agriculturists and people in the community. They are able to set product price based on the cost, product, transportation cost and operating cost. They can plan operation and make decision focusing on these information, such as increasing production capacity and expanding area, etc. [10] (Satun College of Agriculture and Technology, 2019). Accounting records are important because they are one of the learning activities and also a part of the learning process, education and training in order to develop knowledge, idea and correct practice. [6] (Nakamon Ngoenman, et al., 2017). You are able to know the expenditure and cost of your career from cost accounting to reduce cost or expenditure. It can be resulted in increasing earnings and used for long-term career planning without risk of loss throughout the harvest or distribution period. [12] (Winitiya Somboon, 2011).

It can be seen that the preparation of cost accounting related to the cost of various factors of production comparing to the worthiness to the investment. It is able to know if the expenditure can be adjusted or reduced. Alos, it is able to know if the career can be changed to another one that is worthier for investment in order to have sufficient income for household expenditure. Therefore, people in the community must be developed knowledge of cost accounting by developing new knowledge along with the traditional wisdom of the people in the community to

achieve the most effective learning outcomes. The wisdom is the knowledge of the villagers or everything that the villagers do from their wisdom, knowledge and ability of the villagers themselves to use in solving problems or living appropriately. [5] (Ministry of Education, 2012). According to the background mentioned above, ther researcher has studied the wisdom development on cost accoounting for career of people in Sisaket Province to promote and develop careers for people in the community and to set guidelines for enhancing the wisdom of community accounting, develop people to a learning society for a sustainable learning throughout lifetime and create career security and income for the people of Sisaket Province.

## Objectives

1. To develop knowledge in preparing cost accounting for career, increasing income and reducing expenditure of people in Sisaket Province.
2. To assess the achievement of knowledge development in preparing cost accounting for career of people in Sisaket Province.
3. To propose guidelines for wisdom development in preparing cost accounting for career of people in Sisaket Province.

## Materials and Methods

### A. Population and Samples

The population used in this research consisted of 125,278 of people, career groups and community enterprises living in the area of 18 sub-districts, 163 villages in Mueang District, Sisaket Province. [3] (District Information Service Center, Mueang District, Sisaket Province, 2019) The 4 OTOP Nawatwithi villages consisted of Ban Wan, Nam Kham Sub-district, Ban Nong Khrok, Nong Khrok Sub-district and Ban Non Lo, Ya Plong Sub-district which were the service area of Sisaket Rajabhat University to enhance the career groups potential of the community. These villages were with strong

career groups, community funds and savings groups for production. [6] (Sisaket Provincial Community Development Office, 2017). The samples were representatives of people, career groups and community enterprises of Ban Wan, Ban Nong Khrok and Ban Non Lo selected by purposive sampling who had the most experience, knowledge, understanding and ability to provide information in accounting. The 90 samples consisted of 10 community leaders, 10 group chairmen, 10 vice-chairmen, 40 committee of career groups and 20 general people who regularly did accounting records. The samples who did accounting records were voluntary representatives of 60 people from career groups and community enterprises.

### B. Instrumentation

The research instruments for data collection were divided into 2 parts as follows:

1. The qualitative data was used to collect data of the community context through on-site observation process using participatory observation method and in-depth interview [1] (Bogdan, R.C. & Biklen, S.K., 2003). Also, the researcher were on-site to collect insights data using open-ended semi-structure questionnaire and probe questionnaire derived from studying the concept and condition of the revenue and expenditure accounting as well as cost accounting for career.

2. The quantitative data was used to collect data by using questionnaire which was different from the collection of qualitative data. The likert scale question [4] (Likert, R. 1976) was divided into 5 levels in 2 sets of questionnaires. They were used to collect data as follows: (1) The study of satisfaction, understanding and applying knowledge from the training of revenue and expenditure accounting and cost accounting for career, (2) The assessment of the achievement from applying the knowledge gained from training to practice in the 2-month trial period by collecting data to assess the achievement of 2 types as follows: (1) Personal data (2) Accuracy verification of the revenue and expenditure household accounting, cost accounting for career, expenditure criteria, cost calculation criteria, earning, loss, cost classification, break-even point calculation, earning target, selling price setting, earning statement, balance sheet and trial balance.

### C. Data Collection

The data were collected from the questionnaires of 90 samples who were trained in accounting training. The researcher read and explained each question to the samples. Later, the 60 voluntary representatives applied the knowledge gained from the training to practice for 2 months. The researcher assessed the achievement when the period completed by organizing a meeting to verify the accuracy of accounting records, cost accounting for career calculation, earning, loss, break-even point, selling price setting, balance sheet and trial balance. In addition, they shared knowledge about the accounting, problems and obstacles encountered in accounting as well as suggestions.

The researcher used the feedback from the samples to analyze the initial findings about cost accounting, then prepared a cost accounting for career manual to train the

samples again by allowing the samples to revise the information and the researcher checked its accuracy immediately after it was done. Also, the researcher recommended and explained the issues that the samples still misunderstood, such as the account recognition transaction, trade transaction analysis and cost calculation in order to create a more consistent and clear understanding. After that, the researcher collected questionnaires from 60 samples to assess the learning achievement and checked the completeness.

### D. Data Analysis

The data analysis was done using the content analysis method based on the document and transcription. The researcher checked the information obtained with the theory and summarized, then analyzed suggestions from open-ended questionnaires. The data obtained from the questionnaires were analyzed by using descriptive statistics and using statistical software packages to perform data analysis by using frequency distribution, percentage, mean and standard deviation.

## Results

From the study of the wisdom on cost accounting for career of people in Sisaket Province, the findings were found as follows:

1. The study of the wisdom on accounting for Ban Wan Community, Nam Kham Sub-district, Nong Khrok Sub-district and Ban Non Lo, Ya Plong Sub-district, was found that the potential development of the community was based on strong participation. The study of general context revealed that the communities had collaboration and participation of local administrators, community leaders and people in planning and making decision, working well together, committing to promote career community groups and developing in various fields for sustainable development in revenue and expenditure accounting as well as cost accounting for career. According to their folk wisdom, it was found that people, career groups and community enterprises used a simple accounting method, such as recording revenue and expenditure accounting, finding balances, calculating the cost of a simple career without preparing balance sheet.

2. Regarding the development of knowledge on cost accounting for career, increasing income and reducing expenditure of 90 people in Sisaket Province, it was found that, the overall satisfaction of participants attending in the revenue and expenditure accounting and cost accounting for career training was very satisfied at 4.17. When considering on each aspect in descending order, the participants were satisfied with the speakers most at 4.29, followed by process quality of the project at 4.05.

Regarding the assessment on knowledge, understanding and applying knowledge in the preparation of revenue and expenditure accounting and cost accounting, it was found that the basic knowledge of simple accounting of the samples was in the moderate level at 2.78 before the training. On the other hand, they had more knowledge and understanding in the preparation of revenue and expenditure accounting and cost accounting after training in a moderate

level at 3.69. They were able to apply the knowledge to the preparation of revenue and expenditure accounting and cost accounting for career in the high level at 4.14 as shown in Figure 1-2 as follows:

Assessment list	Level of Opinion					$\bar{X}$	S.D.	Level
	%	%	%	%	%			
1. You understand the importance of cost accounting.	19 (21.10)	31 (34.50)	28 (31.10)	9 (10.00)	3 (3.30)	3.60	.98	Moderate
2. You understand the basic cost components.	13 (14.40)	40 (44.50)	32 (35.60)	2 (2.20)	3 (3.30)	3.64	.87	Moderate
<b>Total Average</b>	<b>19</b> (21.10)	<b>34</b> (37.70)	<b>30</b> (33.30)	<b>4</b> (4.60)	<b>3</b> (3.30)	<b>3.69</b>	<b>.93</b>	<b>Moderate</b>

**Figure 1. Basic knowledge of the accounting of people in Sisaket Province**

Assessment list	Level of Opinion					$\bar{X}$	S.D.	Level
	%	%	%	%	%			
1. You expect that the preparation of cost accounting will help you know the exact cost and be able to set the selling price.	32 (35.60)	36 (40.00)	21 (23.30)	1 (1.10)	-	4.09	.83	High
2. You expect that the preparation of cost accounting is able to control the cost of production, quantity and earning of the product effectively.	34 (37.80)	33 (36.70)	19 (21.10)	3 (3.30)	1 (1.10)	4.07	.91	High
3. You expect that the preparation of cost accounting will help you control, monitor and make decision on the operations of career groups in the community effectively.	36 (40.00)	35 (38.90)	19 (21.10)	-	-	4.19	.76	High
4. You expect that the knowledge gained from the training will be useful and be able to use for cost accounting effectively.	38 (42.30)	36 (40.00)	13 (14.40)	3 (3.30)	-	4.21	.81	High
5. You can apply the knowledge gained from the training to prepare traditional accounting more effectively.	33 (36.70)	25 (27.80)	29 (32.20)	2 (2.20)	1 (1.10)	3.97	.94	Moderate
6. You expect that this training will increase your knowledge and be able to develop the cost accounting and operational activities of career groups more effectively.	43 (47.80)	34 (37.80)	12 (13.30)	1 (1.10)	-	4.31	.79	High
<b>Total Average</b>	<b>36</b> (40.00)	<b>33</b> (36.70)	<b>18</b> (20.00)	<b>2</b> (2.20)	<b>1</b> (1.10)	<b>4.14</b>	<b>.84</b>	<b>High</b>

**Figure 2. Potential to apply knowledge on revenue and expenditure accounting and cost accounting for career of the people in Sisaket Province**

3. The assessment of the achievement of wisdom development on preparation cost accounting for career of the people in Sisaket Province revealed that the 60 samples people who tried to apply their knowledge to practice on the preparation of according to the household revenue and expenditure accounting and cost accounting for 2 months. It was found that the overall opinion of samples who applied the knowledge gained from the training to practice was at the moderate level of 3.22 as shown in Figure 3-4:

Achievement	$\bar{X}$	S.D.	Level	%
1. The preparation of revenue and expenditure accounting	3.21	.88	Moderate	64.20
2. The preparation of cost accounting for career	3.23	.90	Moderate	64.60
<b>Total Average</b>	<b>3.22</b>	<b>.89</b>	<b>Moderate</b>	<b>64.40</b>

**Figure 3. Mean, standard deviation, level and percentage of achievement of applying knowledge gained from training on revenue and expenditure accounting and cost accounting for career to practice**

List	Correct	Incorrect	Percent of correctness
1. Recording of revenue and expenditure earning from career	36	24	60.00
2. Classifying cost to calculate career costs	38	22	63.33
3. Calculating <u>earning</u> and loss (revenue – expenditure) from career	41	19	68.33
4. Calculating for break-even point and earning target to set selling price	24	36	40.00
5. Preparing accounting (balance sheet (Income statement Statement of financial position, trial balance)	22	38	36.66

**Figure 4. Result of checking the accuracy of household revenue and expenditure accounting and cost accounting for career books**

4. The wisdom development guidelines for cost accounting for career preparation are:

Guideline 1: Preparing cost accounting for career manual (simple learning version for people) that is suitable for career types of people in the community and comply with the wisdom of the traditional accounting by adjusting it to be correct as accounting principles in order to transfer knowledge to the community. Guideline 2: Establishing a business consulting center within the community or educational institutions nearby to provide academic/advisory services to people, career groups and community enterprises. Guideline 3: Related sectors and educational institutions should provide academic services to transfer knowledge to the people, career groups and community enterprises continuously.

### Discussion

1. Regarding the study of the wisdom on accounting for Ban Wan Community, Nam Kham Sub-district, Nong Khrok Sub-district and Ban Non Lo, Ya Plong Sub-district, it was found that the potential development of the community was based on strong participation. The study of general context revealed that the communities had collaboration and participation of local administrators, community leaders and people in planning and making decision, working well together, committing to promote career community groups and developing in various fields for sustainable development in revenue and expenditure accounting as well as cost accounting for career. This result conformed with Cohen and Uphoff [2] (Cohen, J.M. & Uphoff, N. T., 1981) who said that people must involve in making decision on what to do and how to do to show participation in the community. Also, they should devote in developing and operating as their decisions as well as sharing benefits arising from operations.

2. Regarding the development of knowledge on cost accounting for career, it was found that the overall opinion of samples on achievement of applying knowledge gained from training to practice was at moderate. It conformed with [7] (Natewadee Petpradub, et. al, 2013), who found that the housewife group learned about cost accounting from the cost accounting for career book and were able to calculate the cost correctly. They created a learning process and applied it in cost calculation, income and earning accurately. In addition, they increased income and reduced the cost of



production and had correct opinions on cost calculation process, which was found at high level of achievement.

3. The wisdom development guidelines for cost accounting for career preparation are: Guideline 1: Preparing cost accounting for career manual (simple learning version for people) that is suitable for career types of people in the community and comply with the wisdom of the traditional accounting by adjusting it to be correct as accounting principles in order to transfer knowledge to the community. This was consistent with [9] (Sareeya Wichitsathian, 2016) who found that the factors affecting accounting ability were media availability, equipment for accounting preparation (the project provided accounting books, accounting manuals and training equipment). Furthermore, easy accounting book form, speakers and staff were provided to transfer knowledge appropriately. Guideline 2: Establishing a business consulting center within the community or educational institutions nearby to provide academic/advisory services to people, career groups and community enterprises. It conformed with [9] (Sareeya Wichitsathian, 2016) who provided guidelines for improving the efficiency of agriculturists' household accounting. They consisted of lecturers or volunteer accountants who were able to provide knowledge in that area in order to be convenient in monitoring and assessing. In addition, it also conformed to the policy of [8] (Rajamangala University of Technology Eastern, 2019) which provided opportunities for society and community to receive services and exchange knowledge with the university. Also, channel to transfer knowledge and advisory center were provided for the community in order to distribute knowledge through various medias. Finally, Guideline 3: Related sectors and educational institutions should provide academic services to transfer knowledge to the people, career groups and community enterprises continuously.

### Conclusions

The operating accounting records can help people know their household revenue, expenditure, cost and earning from their careers. They are very useful to people to apply accounting information in planning expenditure to balance the revenue and expenditure. Also, they help to reduce the debt burden and be able to use these information with making decision on production, increasing income, reducing expenditure and controlling career cost appropriately. The objectives of this research were: 1) to develop knowledge in preparing cost accounting for career, increasing income and reducing expenditure of people in Sisaket Province, 2) to assess the achievement of knowledge development in preparing cost accounting for career of people in Sisaket Province and 3) to propose guidelines for wisdom development in preparing cost accounting for career of people in Sisaket Province. The samples were selected by purposive sampling to participate in training on wisdom of cost accounting for career preparation consisted of 90 samples from career groups and community enterprises. While, the 60 samples participated in cost accounting for career training. Interview form, observation form and questionnaires were used as instruments for data collection. The qualitative data were analyzed by content analysis, while quantitative data were analyzed by statistical software

packages to perform data analysis by using frequency distribution, percentage, mean and standard deviation. In conclusion, the findings revealed that people, career groups and community enterprises operated simple accounting, such as accounting records, revenue and expenditure, balance amount and cost accounting for career without balance sheet based on their basic knowledge of simple accounting in the moderate level at 2.78. On the other hand, they had more knowledge and understanding in the preparation of revenue and expenditure accounting and cost accounting after training in a moderate level at 3.69. Their opinions revealed that they were able to apply the knowledge to the preparation of revenue and expenditure accounting and cost accounting for career in the high level at 4.14. When applying their knowledge to practice on the preparation of according to the household revenue and expenditure accounting and cost accounting for 2 months, it was found that the overall opinion of samples who applied the knowledge gained from the training to practice was at the moderate level of 3.22. Moreover, the verification of the accounting books preparation of the household revenue and expenditure as well as cost accounting for career books, it was found that samples were able to calculate earning and loss revenue and expenditure earned from their career at the highest level of 68.33 percent.

### References

- [1] Bogdan, R.C. & Biklen, S.K. (2003). *Qualitative Research for Education : An Introduction to Theory and Methods*. 4th ed. Needham Heights. MA: Aiiyn and Bacon. 2003.
- [2] Cohen, J.M. & Uphoff, N. T. (1981). *Rural Development Participation: Concept and Measures for Project Design Implementation and Evaluation*. New York: Rural Development Committee Center for International Studies, Cornell University.
- [3] District Information Service Center, Mueang District, Sisaket Province. (2019). Retrieved 25 December 2019 from [http://www.sisaket.go.th/relieve\\_disaster/Fri85223](http://www.sisaket.go.th/relieve_disaster/Fri85223).
- [4] Likert, R. (1976). *The Method of Constructing and Attitude Scale*. In Reading in Fishbein, M. (Ed), *Attitude Theory and Measurement*. New York: Wiley & Son Inc.
- [5] Ministry of Education. (2019). Thai Wisdom in Education Management. Retrieved 24 December 2019 from [http://www.moe.go.th/moe/th/news/detail.php?NewsID=2723&news\\_research](http://www.moe.go.th/moe/th/news/detail.php?NewsID=2723&news_research).
- [6] Nakamon Ngoenman, et. al. (2017). An approach of household accounting for developing family economy. *Research and Development Journal*. Loei Rajabhat University. 12(41). 1-12.
- [7] Natwadee Petpradub, et. al. (2013). Research on Achievement of Academic Service on Cost Accounting for the Housewife Group in Moo 2, Kosit Sub-district, Takbai District, Narathiwat Province. *Princess of Naradhiwas University Journal*. 5(4). 93-102.
- [8] Rajamangala University of Technology Eastern. (2019). Thai Industry Technology Support Program or iTAP (iTAP) Basic Work Plan for Human Potential Development and Empowerment. Retrieved 26 December 2019 from <https://www.e-manage.ac.th/projectDetailPublic.aspx?pid=81>.
- [9] Sareeya Wichitsathian. (2016). The Development of Household Accounting Efficiency of Farmers. *Journal of Humanities and Social Sciences*. 8(16). 101-112.
- [10] Satun College of Agriculture and Technology. (2019). Unit 10 Accounting. Retrieved 20 December 2019 from [http://www.satunatc.ac.th/lms/mod/resource/view.php?id=137.\(2562\)](http://www.satunatc.ac.th/lms/mod/resource/view.php?id=137.(2562)).
- [11] Sisaket Provincial Community Development Office. (2017). *Community Development Plan 2017*. Sisaket.
- [12] Winitiya Somboon. (2011). Perception of Agricultural Cooperative Members of Household Accounting Information Received through the Cooperative Auditing Department's Public Relations Media in Bangkok Metropolitan Area. Project. Master of Arts Degree in Library and Science. Srinakharinwirot University.