

Management Accounting Practices in Indian and Canadian Hotel Industry: A Comparative Study

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Abstract *This paper traces the major developments in the field of management accounting briefly and then highlights the need for more cross-national management accounting studies. The results from two parallel surveys of matched Indian and Canadian hotel organizations are presented. The main aim of the surveys was to examine a wide range of management accounting practices in a cross-national comparative context in Indian and Canadian hotel organizations. The investigation is based on a questionnaire survey of 335 large scale hotel organizations (India=250 and Canada=85). The statistical results show a number of similarities and differences in the management accounting practices of Indian and Canadian hotel organizations. Against the established notion, the results of this study reveal that the gap between Indian and Canadian management accounting practices is not very significant. Moreover, in a few management accounting practices Canadian hotels have adopted a more rational approach than their Indian hotels counterparts.*

Keywords: *Management Accounting, India, Canada, Hotel, Practices*

INTRODUCTION

The ancient Indian practice of ‘Vasudhaiva Kutumbakam’ and ‘Athiti Devo Bhava’ has played a significant role not only in establishing the place of the individual in society but also in building stronger ties among nations. These have been become a well personified motto of Indian hospitality industry. This industry has been materialized as one of the key chauffeur of growth among the service sector in India. The sector’s assistance to India’s GDP is expected to upsurge to USD 492.21 billion by 2028 which is a colossal figure. India has a huge tourism potential and has been ranked at 34th position as per Travel and Tourism Competitiveness Index released by World Economic Forum and the country also has the x-factor of becoming a tourist favorite destination (Ministry of Tourism, 2019). Similarly, the Canadian hotel Industry has witnessed remarkable growth and development in recent years. The country’s incredible geographical variety provides a significant pull

forces for attracting a wide diversity of tourists. The sector provides work to around 600,000 workers. The tourism sector contribution to GDP is around 39.72 billion Canadian dollars in 2019 which is a gigantic figure (Tourism Industry Association of Canada, 2020). Thus, in these countries hospitality enterprises constitute the bulk of the industrial base and contribute significantly to their balance of payment, regional development, employment and GDP and so forth. The enormous changes during the recent decade in business model, information technology and service operations have dramatically affected the practices of management in hotel industry. Moreover, recent researches have introduced new measuring and reporting concepts that, in turn, have created an expanded role of management accounting in hotel organizations. These developments required that more exploratory studies should be conducted in the area of management accounting in comparative nature.

The developments in the field of management accounting practices are now well documented in the literature

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(Yohikawa, 1994; Guilding, Lamminmaki & Drury, 1998; Chenhall & Langfield-Smith, 1998; Ghosh & Chan, 1997; Wijewardena & Zoysa, 1999; and Drury et al., 1993). However, the debate on management accounting practices/techniques continues even today, although the focus of the debate has changed over time. It began with the distinction between accounting and management accounting, and then moved on to incorporating management accounting practices into business strategies (Atkinson & Jones, 2008; Burns et al., 1999; Burns & Vaivio, 2001; Bjornenak & Mitchel, 2010) devolving management accounting practices to line managers and finally exploring the extent to which management accounting practices are the source of competitive advantage for organizations (Chand & Ambadar, 2013; Brandau, Michael et al., 2013). All these developments have taken place over the last two decades or so, as a result of which the nature of the management accounting function has changed from being reactive, prescriptive and administrative to being proactive, descriptive and executive. At present, the contribution of management accounting practices to firms' performance is being debated in the literature. Along with these developments, the existing literature also highlights a strong need for more cross-national management accounting practices studies (Brandau et al., 2013). This is mainly due to ever-increasing internationalization and globalization of business. As world business develops into a 'global village', there is a greater need to know how accounting managers in various parts of the world cope with issues and problems related to the management accounting practices and what major factors impact on management accounting practices in different contexts (Chand & Ambadar, 2013 and Chand & Sharma, 2020).

Several scholars note that national management accounting practices are determined by both 'culture-free' (such as age, size, and nature of organization) and 'culture-bound' (such as national culture and institutions) factors (Armitage et al., 2016; Brandau, Michael et al., 2013). The investigation into the influence of both culture-free and culture-bound variables on management accounting practices (MAP) in a cross-national context is therefore crucial for the growth and development of the field of MAP. This is particularly so in view of the major development that many countries in the world, such as China, India, USA, Russia, Europe and others have liberalized their economic policies and opened gates to foreign investors. These developments are very significant and require more research from an international MAP perspective to widen the scope of current research literature which is predominantly based on practices in countries in the European Union and North America. At present, there is dearth of research on cross-national management accounting issues. This is partly due to the fact that methodological issues involved in cross-national studies are far more complex than research involving a sample from a single country or culture and partly due to the absence of a comprehensive

framework for conducting such studies (Fleischman et al., 2008; Brandau et al., 2013; Armitage et al., 2016).

The recent researches indicate that management accounting practices of firms might show discrepancies among firms and countries. Many scholars have been conducted research on management accounting practices in different countries and reported differences in practice among countries (Guilding et al., 2000; Fleischman et al., 2008; Brandau et al., 2013; Armitage et al., 2016).

Obviously, the type of practice-oriented research that is necessary to address the implication of management accounting methods/techniques in a cross national perspective is considerably become more significant in the accounting literature. Moreover, academicians have recently employed a variety of innovative field study, survey and research methods to test hypotheses and construct theoretical models to refine managerial accounting practices from cross firms and countries perspective. Thus, a comparative study would provide a useful insight into management accounting scenario in the Indian and Canadian hotel industry.

CONCEPTUAL BACKGROUND AND HYPOTHESIS DEVELOPMENT

Until the 1980s, the view that management accounting literature/models/theories is applicable universally was quite pervasive. However, the influence of the 'globalization' has now provided as sufficient evidence has gradually accumulated against it over time. Moreover, the nature of management accounting practices varies from country to country. Thus, in order to evaluate and highlight the context-specific nature of management accounting in different national or regional settings, we need to describe major management accounting practices in such settings. Researchers in the field of management accounting (Norreklit & Schoenfeld, 2000; Alnoor Bhimani, 2006; Chand & Ambadar, 2013; Murthy & Rooney, 2018 and Ramesh & Madegowda, 2019) frequently differentiate between public and private organizations on the basis of 'ownership', no of employees, capital, nationality, category, type and so forth. On the other hand, public agencies are owned, funded and controlled collectively by members of political communities at different levels of government (Macintosh, 1998; Norreklit & Schoenfeld, 2000; Wijewardena, & de Zoysa, 1999; Shields et al., 1991; Chand & Ambadar, 2013).

Over the years a number of studies have been conducted to examine and compare different management accounting practices (Anderson & Lanen, 1999; Guilding et al., 2000; Fleischman et al., 2008; Brandau et al., 2013; Armitage et al., 2016 and Chand & Ambadar, 2013). However, it is important to note that most of the existing literature is based on research in the developed countries. Most of the

emerging countries or newly industrialized nations, such as the India, China, Canada, East European economies, South Africa and Latin American countries, are now pursuing globalization and privatization programmes (similar to those pursued by developed countries in the last two decades). These countries have now liberalized their economies and opened their markets to foreign investors. In such conditions both academicians and practitioners are eager to learn about the pattern of management accounting systems prevalent in these countries.

Due to the absence of an established theoretical framework for such an evaluation in a developing country, it is important to clarify the basis for our investigation. Writers such as Shields et al. (1991) provided additional insights into the similarities and differences between the management accounting practices of the U.S. and Japanese companies. They suggested that management accounting practices are based on the organizational scope, method and objectives of a company. Harrison's (1992, 1993) studies serve as proxies for societies with high individualism and low power distance, and those with low individualism and high power distance in Australia and Singapore. Further, findings support the hypothesis: national culture influences the relationship between reliance on accounting performance measures and work-related attitudes of subordinates. Thus, MNCs must adapt their management accounting techniques to national cultures to guarantee their effectiveness. Macintosh (1998) opined Strategic cost management and ABC as drivers of European management accounting convergence in 11 European Countries. Similarly, Shields (1998) compared management accounting in Europe converging across nations and diverging across industries in 11 countries.

Wijewardena and Zoysa (1999) indicated that Australian companies conducted cost control processes mainly during the production phase, whereas in Japan, areas for potential cost reduction were identified earlier, during the design and planning phases. These differing approaches are reflected in the corresponding management accounting techniques applied: whereas in Australia, budgeting and variance analysis are predominantly used, target costing is of higher importance in Japan. Anderson and Lanen (1999) suggested management accounting practices of 14 firms including cost management, planning and control and performance measurement & evaluation. Further they explored relations between a variety of endogenous and exogenous contextual factors & management accounting practices. The study found that with the change in external environment traces of changes in management accounting practices. Carr, and Tomkins (1996) investigated the implementation of management accounting practices in Britain and Germany. They concluded that successful companies paid five times more attention to the issue of the management accounting practices in comparison with unsuccessful companies, about

three times the value chain considerations, and two times the cost drivers; traditional capital budgeting techniques were considerably less attentive. Norreklit and Schoenfeld (2000) suggested that those multinational corporations (MNCs) considered the country-specific conditions to which their subsidiaries are exposed and ascertain the effectiveness of their management accounting practices in different national settings can benefit from management accounting practices to attain high efficiency levels. Bartolomeo et al. (2000) emphasized on 'finance-driven' initiatives with immediate pay-offs Germany and focus on holistic understanding and long-term benefits in Germany vs. Italy vs. Netherlands vs. Great Britain. Whereas, Joshi (2001) suggested that the rate of adoption of conventional management accounting practices is higher in India than for the techniques recently developed and the rate of adoption of newly developed software is less. He further, suggested that the scale (total assets) is a major impact on the implementation of the modern management practices. Guilding et al. (2000) investigated the occurrence and apparent merit of Strategic Management Accounting (SMA) practices of large enterprises in New Zealand, U.K. and U.S.A. among the twelve examined SMA; competitor accounting and strategic pricing were the most widely-used SMA. The study highlighted that there were objectively similar levels of SMA utility in U.S.A, U.K and New Zealand.

Sulaiman et al. (2004) compared the implementation of conventional and contemporary management accounting practices in four Asian countries (Singapore, Malaysia, China & India). The study indicated that in the four countries there is a lack of use of modern management accounting practices. The use of conventional management accounting techniques has been found to remain strong. Fleischman et al. (2008) compare the development of British and US cost accounting. They do not confirm the often-voiced assumption that British cost accounting since the end of World War II has fallen behind its American counterpart. This false impression can be traced back to the data used in relevant studies: only a few highly developed and non representative American sectors have been investigated. Cross-national differences in management accounting structure are often correlated with national culture. Moreno, Begona and Valladares Montemayor, Halia (2008) evaluated accounting management practices in Europe and Mexico. They found that European countries (Germany, France, Norway & Greece) with far higher rates of adoption than the Mexico. Similarly, McLellan and Moustafa (2008) findings revealed a significant disparity between the understanding and usage of management accounting tools/methods. It is also evident that GCC companies rely mostly on traditional management accounting methods. In fact, the GCC Company's management accountants agreed that using a variety of such methods would be more appropriate for their businesses. Hoffjan et al. (2006) conducted a cross country study for comparing the management accounting

practices in Germany, UK and the United States. The results highlighting that the German firms relies heavily on the information provided by the management accountants where as British and American firms are not much depended on the such information. The study indicates that on the delivery of information and chipping in the management process there exists some similarities among three countries. Angelakis et al. (2010) explored the nature of the adoption conventional and modern management accounting practices (MAPs), Greek manufacturing companies. They stated that, for many currently developed techniques, implementation rates of modern management accounting practices are high and similar to those in other nations as compare to conventional MAP however, small businesses are increasingly relying more on conventional techniques. Yeshmin and Fowzia (2010) compared the utility of management accounting procedures in manufacturing and service enterprises of Bangladesh. The findings reveal that the utility of management accounting procedures were very frequent in manufacturing enterprises in comparison with the service enterprises. On the other hand, Chand and Dahiya (2010) reported the use of management accounting techniques in Indian SMHEs as well as identifying the major obstacles to the adoption of management accounting techniques. They indicated that management accounting methods have a significant effect on different aspects of the enterprise, especially on reducing costs and improving quality. They also pointed out significant obstacles to adoption of management accounting techniques in Indian SMHEs in terms of ownership, volume and high cost.

Christoph et al. (2011) explored the applications, transferability and cross-country adaptation of management accounting practices since the early 1990s. The findings indicating that the adoption of foreign management accounting techniques generates comparative advantages in environments characterized by increasing global business competition. Further the study provides insights into shortcomings and developments in the field and identifies directions for future research and implications for corporate practice. Brandau, Michael et al. (2013) focused management accounting in Brazil and Germany. They examined transversal field research data from a specific group of manufacturing firms in Brazil and Germany based on institutional theory. They found that in both countries management accounting principles are heavily influenced, while businesses typically prefer to follow Anglo-American methods. Chand and Ambardar (2013) compared management accounting practices in Indian hospitality and service companies. They study found that management accounting practices among Indian hospitality and service companies differ greatly. The results showed that the management accounting variables and characteristics of respondents do not have any significant relationship. Eventually, this research contributed to the current expertise

of hospitality and service accounting management practices. Armitage, Howard et al. (2016) examined 22 SMEs which are using traditional management accounting methods and tools. They found that traditional management accounting techniques have been fairly or extremely used by SMEs. They also identified the key factors impacting the application and usage of management accounting techniques.

Ewelina Zarzycka et al. (2018) pointed out that managers use mainly management accounting information for planning and control tasks (budgeting) and less for formulating strategy and decision making. The findings confirm that management accounting in both countries is strongly influenced by the mechanisms of coercive, normative and mimetic isomorphism connected with their specific economic and political development. Abdelghani Ahmed et al. (2019) found that researchers have devoted extensively their efforts to investigate the practices of accounting, particularly in manufacturing, in different fields. Five pertinent studies were performed in Malaysia, one in 2011 and two in 2015 and 2017 respectively. The goal of this research is to add to the gap between the MAP studies in many countries and to provide an invaluable context for future studies. Ramesh and Madegowda (2019) assessed environmental accounting practices of selected Japanese-origin Indian firms and Indian firms. The study suggested that environmental accounting standards do not vary significantly and indicate that environmental issues are identified much less in the company's annual report. The above discussion suggests that management accounting practices in Indian and Canadian hotel organizations has less researched area.

The existing review of literature shows that, except for some research work, there is no comparative management accounting study on India and Canada. For sure, a few studies do compare general management accounting practices in cross counties but these two developing nations have been lack behind academic research in the area of management accounting particularly hotel industry.

On the basis of the existing literature (both Indian and Canadian) and the current trends in management accounting practices in the two countries, we propose the following two hypotheses:

Hypothesis 1: There is a common set of management accounting practices which is widely used in Canadian and Indian hotels.

Hypothesis 2: There are significant differences in management accounting practices between Indian and Canadian hotels.

METHODS

Two parallel questionnaire surveys (one each in India and Canada) of hotels having 200 or more employees

in hotel industry were carried out between March 2019 to January 2020. The respondents were the top personnel like Senior Manager, Middle Manager/Line Manager, one from each hotel. In all, we received eighty-five out of 200 questionnaires (18%) from hotels in Canada and 250 out of 500 questionnaires (30%) from hotels in India. The items for the questionnaires were constructed from the existing measures such as those used by Chand and Ambadar (2013) researchers in their study of comparative of hospitality and service firms and other studies (see, for example, Madegowda, 2019; Ewelina Zarzycka et al., 2018; Chand & Dahiya, 2010).

Analysis of the demographic features of the sample suggests that the sample was representative of the total population. 46% and 62% of Indian and Canadian hotels organizations, respectively, were medium-sized and employed 200-300 employees, 16% and 14%, respectively, employed above 300 employees, respectively. Most of the hotels in both countries are in private sector.

MEASURES

To get a comparative picture of management accounting practices in India and Canada, the influence of a number of independent variables on management accounting practices was evaluated. We included the following control variables in our analysis: nationality, ownership of the hotel (private or public), Type of Hotel (Chain, non-chain and Independent), Category of Hotel (one star to 5 star deluxe) age of the hotel, Capital, size of the organization (number of employees). Further, 29 individual management accounting practices were derived from the previous accounting literature and categorized into the six groups of 'costing system', budgeting system', 'performance evaluation', 'information for decision making', 'Strategic analyses' and 'environmental management accounting practices'.

RESULTS AND DISCUSSION

In order to assess the set of management accounting practices in the Indian and Canadian hotel enterprises that is of most importance, or in other words to be able to test H1, a confirmatory factor analysis with varimax rotation on the 29 individual management accounting practices was performed categorized into the six groups of 'costing system', budgeting system', 'performance evaluation', 'information for decision making', 'Strategic analyses' and 'environmental management accounting practices'. The Kaiser-Meyer-Olkin test of sphericity and the Bartlett's test of adequacy provided support for the factor analysis. Furthermore, the requirements followed in this study were the following: eigenvalues > 1, cut-off points > 0.50, cross-loadings > 0.10, and Cronbach's alpha > 0.70.

Thus, pursuant to the results of factor analysis, this study successfully identified the underlying management accounting practices as perceived by the respondents in Indian and Canadian hotel industry. The following five factors were derived:

- *Factor 1: costing system' (eigenvalue=3.75, alpha reliability=0.84).*
- *Factor 2: budgeting system' (eigenvalue=3.48, alpha reliability=0.87).*
- *Factor 3: performance evaluation (eigenvalue=2.55, alpha reliability=0.80).*
- *Factor 4: information for decision making' (eigenvalue=1.95, alpha reliability= 0.81).*
- *Factor 5: Strategic analyses' (eigenvalue=1.80, alpha reliability=0.82).*
- *Factor 5: environmental management accounting practices' (eigenvalue=2.65, alpha reliability=0.83).*

Five Underlying Factors

Table 2 presents the results from exploratory principal components factor analyses with varimax rotation on the 29 individual management accounting practices items categorised into six groups. The management accounting practices items were factored into six factors explaining from 52% to 85% of total variation.

- The first factor (management accounting practices) we label as 'costing system' (CS) that comprises ABC costing, operating costing, use of both incremental and non-incremental costs and regression and or learning curve technique. The item with the highest factor loading is *in operating cost* (0.79).
- The second factor 'budgeting system' (BS) comprises budgeting for planning, budgeting for cost control, activity based costing, flexible budgeting and zero-based budgeting. The item with the highest factor loading is *in activity based costing* (0.78).
- The third factor 'performance evaluation' (PE) consists of financial performance measures, performance measures related to customers, performance measures related to employee, performance measures related to operation, economic value added and benchmarks. The item with the highest factor loading is *in financial measures* (0.82).
- The fourth factor 'information for decision making' (IDM) comprises CVP analysis, product profitability analysis, customer profitability analysis, discounting cash flow for investment evaluation and non-discounting cash flow for investment evaluation. The item with the highest factor loading is in Discounting cash flow for investment evaluation (0.85).
- The fifth factor 'strategic analysis' (SA) comprises long range forecasting, product life cycle analysis, industry

analysis, SWOT analysis, and integration with suppliers' or customers' value chains. The item with the highest factor loading is *in long range forecasting* (0.81).

- Finally, the sixth factor '*environmental management accounting practices*' (EMA) comprises four items such as environmental assessment impact, environmental cost accounting, material flow cost accounting and assess environmental performance. The item with the highest factor loading is *in environmental assessment impact* (0.84).

Summarizing the findings above we may say that the set of operating cost, activity based costing, financial measures, discounting cash flow for investment evaluation; long range forecasting and environmental assessment impact may constitute the most important management accounting practices in Indian and Canadian hotel organizations. In light of these results we may accept H1, supporting that there is a set of common management accounting practices in hotel industry that is of most importance in both countries. The previous studies also support these findings.

Table 1: Factor Analysis Results for the Management Accounting Practices Items

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Explained variation (percent)	83.18	83.53	80.15	79.75	80.30	83.50
Eigen values	3.75	3.48	2.55	1.95	1.80	2.65
Cronbach alpha	0.84	0.87	0.80	0.81	0.82	0.83
Factor overall mean						
Costing System						
• ABC costing	0.65					
• Operating costing	0.79					
• Use of both Incremental and non-incremental costs	0.70					
• Regression and or learning curve technique	0.65					
Budgeting						
• for Planning		0.75				
• for cost control		0.70				
• Activity based costing		0.78				
• Flexible budgeting		0.65				
• Zero-based budgeting		0.71				
Performance Evaluation						
• Financial measure(s)			0.80			
• Financial measure(s) related to customers			0.82			
• Financial measure(s) related to operation			0.79			
• Financial measure(s) related to employee			0.80			
• Economic value added			0.78			
• Benchmarks			0.79			
• Benchmarks			0.77			
Information for Decision Making						
• CVP analysis				0.80		
• Product profitability analysis				0.87		
• Customer profitability analysis				0.80		
• Discounting cash flow for investment evaluation				0.85		
• Non-discounting cash flow for investment evaluation				0.79		
Strategic Analysis						
• Long range forecasting					0.81	
• product life cycle analysis					0.79	
• Industry analysis					0.80	
• SWOT analysis					0.78	
• Integration with supplier's or customers' value chains					0.80	
Environmental Management Accounting Practices						
• Environmental Assessment impact						0.84
• Environmental Cost Accounting						0.79
• Material flow cost accounting						0.80
• Assess environmental performance						0.83

To establish whether management accounting practices differ significantly between the Indian and Canadian hotels, t-tests for equality of means (independent sample) were applied. Table 2 presents the t-test result comparing perceived management accounting practices in the Indian and Canadian hotels. Results show that a high percentage of both Indian and Canadian hotel organizations have an accounting department/manager. The analysis of Mean comparison yielded a few significant differences and they were in the hypothesized direction. In most of the cases of Indian hotels obtained higher mean score compared to its counterpart. In the rest of the cases the mean differences were not significant although Indian hotels had always an edge over the Canadian hotels. Analysis of the data suggests

that the management accounting practices in the sample respondents were, on the whole, not well-founded. Most respondents were able to provide reasoned justification for the practices that they employed. The findings also provide needed implementation guidelines to practitioners for effective management accounting practices implementation and gives possible reasons to explain some cases of Indian and Canadian hotels where the perceived benefits fell short of expectations. Thus, results indicated that Indian hotels will be rated higher than Canadian hotels on management accounting practices.

In light of these results we may accept H2; supporting that there are significant differences in management accounting practices between Indian and Canadian hotels.

Table 2: Comparative Statistics of Management Accounting Practices in Sample Respondents

Management Accounting Practices	Indi India		Canada		t-Statistics	
	Mean	SD	Mean	SD	T-Value	2-tail Sig
Costing System						
ABC costing	4.20	0.61	3.78	0.72	0.976	ns
Operating costing	4.10	0.64	3.10	0.60	0.873	p <.04
Use of both Incremental and non-incremental costs	3.42	0.70	3.11	0.60	0.634	p <.02
Regression and or learning curve technique	3.05	0.77	2.35	0.72	1.001	p <.08
Budgeting						
for Planning	3.20	0.73	2.14	0.77	0.073	ns
for cost control	3.00	0.75	3.20	0.75	-0.905	p <.09
Activity based costing	3.23	0.76	3.40	0.71	-1.430	ns
Flexible budgeting	3.38	0.70	1.61	0.79	-1.510	ns
Zero-based budgeting	3.40	0.71	1.68	0.77	0.350	ns
Performance Evaluation						
Financial measure(s)	3.96	0.76	2.70	0.74	-0.891	p <.09
Financial measure(s) related to customers	3.09	0.75	3.13	0.77	0.220	p <.08
Financial measure(s) related to operation	3.40	0.71	2.11	0.85	0.265	ns
Financial measure(s) related to employee	2.45	0.66	2.93	0.72	0.585	ns
Economic value added	3.10	0.72	3.75	0.70	0.423	ns
Benchmarks	2.18	0.79	2.42	0.70	0.341	p <.02
Information for Decision Making						
CVP analysis	2.95	0.73	3.61	0.70	-1.838	p <.08
Product profitability analysis	3.90	0.66	2.51	0.76	1.290	ns
Customer profitability analysis	3.30	0.74	2.85	0.79	0.940	ns
Discounting cash flow for investment evaluation	3.93	0.80	2.66	0.80	1.030	ns
Non-discounting cash flow for investment evaluation	2.67	0.77	2.54	0.81	0.890	ns
Strategic Analysis						
Long range forecasting	3.70	0.72	3.78	0.70	-1.030	p <.09
product life cycle analysis	3.20	0.73	2.14	0.77	1.112	ns
Industry analysis	3.00	0.75	3.20	0.75		ns
SWOT analysis					1.434	ns
Integration with supplier's or customers' value chains	3.38	0.70	1.61	0.79	1.510	ns
Environmental Management Accounting Practices						
Environmental assessment impact	3.40	0.71	3.68	0.77	-0.350	p <.08
Environmental cost accounting	2.10	0.80	2.62	0.69	-0.310	p <.04
Material flow cost accounting	3.92	0.79	2.62	0.71	1.120	ns
Assess environmental performance	3.36	0.70	3.64	0.75	-1.060	p <.09

Note: ns = not significant.

CONCLUSIONS

The results indicated significant differences between Indian and Canadian hotel enterprises. These findings are in the hypothesized direction. In most of the cases of Indian hotels obtained higher mean score compared to its counterpart. In the rest of the cases the mean differences were not significant although Indian hotels had always an edge over the Canadian hotels. Analysis of the data suggests that the management accounting practices in the sample respondents were, on the whole, not well-founded. Most respondents were able to provide reasoned justification for the practices that they employed. The findings also provide needed implementation guidelines to practitioners for effective management accounting practices implementation and gives possible reasons to explain some cases of Indian and Canadian hotels where the perceived benefits fell short of expectations. However, this research is only indicative, much remains to be examined. The research has suggested that management accounting practices may play a more prominent role in the bundling of organizational performance in both countries. The results of this comparative study are of relevance to both academicians and practitioners.

This study contributed to the current knowledge in management accounting practices in hospitality literature. Future research should consider incorporating other important variables that have been omitted from other studies and are likely to influence the adoption of management accounting techniques in cross countries context.

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