

## **Evaluating the Knowledge of Small and Medium Enterprises' Managers in Presenting the Information on Financial Statements toward International Integration**

**Phi Thi Diem Hong, Phan Le Trang, Nguyen Thi Hai Binh & Tran Nguyen Thi Yen**

Faculty of Accounting and Business Management, Vietnam National University of Agriculture, Hanoi 131000, Vietnam

### **Abstract**

In the context of international integration, managers' knowledge plays an important role as a valuable organizational resource from a strategic perspective and a foundation for competitive advantage in business environment. The aim of this paper was to build assessment model and attest it in the case of Vietnam's Small Medium Enterprises (SMEs) regarding manager's knowledge in preparing the information on financial statements. By analyzing current relative standards (including international and national systems) and two basic assessment models (ASK by Bloom *et al.* (1956) and BKD by Shinseki (1999)), the study developed to identify the assessment criteria of the manager's knowledge as one main research objective. The research data of 71 SMEs in the sample showed that: (i) The relationship between managers' background and their understanding about information on their financial statements was a negative linkage; (ii) The number of managers using their financial statements to make a business decision was very low; and (iii) The most important criteria on the financial statement in their views were profits and revenues.

### **Keywords**

Knowledge of managers, SMEs, financial statements, international integration

### **Introduction**

According to the World Bank (2013), the "skilled workforce is central to the success of Vietnam's economic and social transitions" (World Bank, 2013). Unfortunately, the report of VCCI (2016) shows that Vietnam is a country with a low ranking among ASEAN countries in corporate governance, the lack of management capacity and scale limitation are the major barriers to contribute to this status. Consequently, the Vietnamese government needs to focus on financial

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**Correspondence to**  
ptdhong@vnua.edu.vn

information transparency or improve the quality of enterprise financial statements (World Bank, 2016). For the SMEs, the low workforce skills are mentioned as the key obstacle to enhance their competitiveness and linkages (World Bank, 2017). Therefore, the improvement of the management capacity in corporate governance is a strong current important content to develop the SMEs in Vietnam. Moreover, the major tendency of international economic integration occurs in not only one but also most countries. In such a context, international integration strategy becomes increasingly important to SMEs (Phi Thi Diem Hong, 2017). Currently, however, the SMEs manager's knowledge in using financial information is still limited, their information performing on financial statements (supplying for internal and external users) has been continuously inefficient and short of necessary institutions to assist the improvement process (ibid).

Nguyen Viet Loc (2012) argues that management capacity, leadership skills, competitiveness and operating activities of enterprises are positively affected by the knowledge of SMEs managers. Additionally, innovation as the core value of an entrepreneur absolutely depends on the managers' knowledge (Le Thi Phuong Thao, 2016); in which, the knowledge of financial accounting is one of the three most essential knowledge for a chief of executive (CEO) to improve their operating capacity (Le Quan & Nguyen Quoc Khanh, 2012).

In fact, most Vietnamese enterprises have already attained the controlling information systems, but that still does not meet the needs of corporate governance (VCCI, 2016). Many business owners have graduated from university (nearly 60%), but their transformation and communication are not effective, even inconsistent and out of date. Notably, only a few business owners currently have in-depth training in economic knowledge, corporate governance, business law, and corporate accounting (VCCI, 2016). Meanwhile, the manager's understanding of financial accounting has a direct impact on attracting investment capital for businesses. An accurate assessment of the manager's knowledge

about the information presenting on the financial statements will be significant to determine the quality (reliability) of the financial statements that they or their units have prepared. From this perspective, this paper focuses on identifying criteria to serve as a basis for identifying and assessing the status of the management's knowledge about the presentation of financial statements, thereby proposing recommendation to improve the quality of financial statements and access to information from businesses.

Based on a literature overview of "knowledge" and "evaluation" publications and the basic international accounting standards (IFRS) application, the research designed a research framework to build an assessment model of the managers' knowledge in the presentation of information and preparation of financial statements. Then, the research applied this model to attest in a sample of 71 SMEs to reveal the status of their manager's knowledge in financial statements. The research findings would be significant references for next studies in accounting as well as human resources besides being applied as the background of other further research to measure the knowledge of anyone in many other aspects.

## Materials and Methods

A review and thematic analysis were carried out on publications with the objective of developing a comprehensive framework. At first, the early research of "knowledge" and "evaluation" besides the international financial reporting standards was reviewed and compared, then the models of knowledge assessment were analyzed. The findings of these steps were the background to develop the research model of managers' knowledge assessment as a part of the whole research result. The research objectives were reached by applying this model into the SMEs to attest the manager's knowledge in the presentation of information on financial statements. Wherein, the managers who were mentioned in this study were limited in business entities, including directors, vice-directors, chief executive officers, leaders of Accounting department, or any member of the board of

directors. The model application for SMEs only concentrated on collecting the preliminary result that was not an entire survey to reflect all academic criteria of the information on the financial statements.

### **Literature review and research model of assessing human capacity**

From the literature review, it is found that the topic of "knowledge" has been studied early since many years BC (Hunt, 2003). Over the time, its context has been explored in different directions depending on the approach and evaluation purposes of the research subject. Most of the viewpoints agree that knowledge is a good thing to have (in the sense of being conducive to successful practical action) (Olsson, 2011). It includes two components: latent (Tacit) and exposing (Explicit) (Bloom *et al.*, 1956; Nonaka & Takeuchi, 1995). Many researchers mentioned the term of manager's knowledge in the business leadership of managers or business executives. In order to measure the managers' knowledge, the evaluating criteria also have been discussed in different ways. Most researchers agree that the evaluation is an assessment of achievement (or matching) between the results (reliable output or outcome) and the objectives (or expected results). Following this point, this study used the models of ASK (Attitude - Skill - Knowledge) by Bloom (1956-1964) and BKD (Be-Know-Do) by Shinseki (1999) which are known as the background of assessment on leader or manager capacity (Le Quan & Nguyen Quoc Khanh, 2012; Tran Thi Phuong Hien, 2014).

### **International Financial Reporting Standard (IFRS) and Vietnam Accounting Standard (VAS)**

Nowadays, in the accounting sector or the financial statement aspect, most people mention IFRS as a generally accepted accounting principle (GAAP) for international integration or harmonization. Under this line, the IFRS – as the current international standard has been selected to be the formal standards to evaluate the integrating level or the information needs presented or displayed on business financial statements in this research. Additionally, most SMEs are Vietnamese enterprises, the VASs are

also used to find the harmonize area between IFRSs and VASs as the accounting environment to assess their managers' knowledge in presenting information on SMEs' financial reports. The research combines the key points of formal financial reports (including measurement and recognition) following both IFRS and VASs to identify the evaluation criteria in the research framework.

### **Sample survey and Likert approach**

In order to provide the evidence in practical cases, a sample of managers in the SMEs was selected to be included in the survey. Using "snowballing", the sample was designed through the researchers' own network to lead to another network that was derived from the supports of the researchers' colleagues, students, or potential interviewees. Through a set of open-ended questionnaires, each interview lasted from 30 to 60 minutes, followed by specific and academic questions. Following the assessing model as the first steps of research, the measurement of each assessing content was separated into different questions. A group of them used qualitative statistics, while others applied the Likert scale for the purpose of data collection. The 5-point Likert scale was used to analyze the level of understanding or using the information by the managers, while the qualitative statistics was used to explore managers' experience or presenting skills. Depending on exact information with the objective of assessment, the questionnaires were set either academic or general. A successful collection meant at least over 80% of questions obtaining information or not the same answer for all questions.

The survey questionnaire was sent out to about 180 interviewees who worked in different SMEs mainly from March to December in 2018. Through both direct and indirect meetings, the interviewees were general managers, directors, assistant directors, or functional managers, but there were only 75 valid responses, including 4 cases of asymmetric industries (non-business or government administrative organizations). Finally, the results were found based on 71 formal responses as planned (suitable position and all of the questions answered, etc.).

## Results and Discussion

### Assessment model of SMEs managers' knowledge in presenting financial information

#### *Financial information and identification of assessing criteria on financial statements*

Following the Conceptual Framework for the Preparation and Presentation of Financial Statements by the International Accounting Standard Board (IASB), "Financial statements are prepared and presented for external users by many entities around the world" (IASB, 2018). Despite available differences when setting national requirements among different countries, the financial statements may appear similar from country to country. Under the current VASs and international accounting regulations, a complete set of financial statements normally includes the following four components: (i) Balance sheet; (ii) Income statement; (iii) Cash flow statement; and (iv) Notes to the financial statements. To achieve a fair presentation, financial statements should be prepared and presented in compliance with prevailing accounting standards, accounting policies, and related regulations (Articles 7 and

9, VAS 21). This means financial information (on financial reports) is useful if it is relevant and faithfully represents what it purports to represent. The usefulness of financial information is enhanced if it is comparable, verifiable, timely, and understandable (IASB, 2018). Notably, relevant financial information is capable of making a difference in the decisions made by users. To keep relevant requirements, the information must be material that the materiality is an entity-specific aspect of relevance based on nature or magnitude, or both, of the items to which the information relates in the context of an individual entity's financial report (IASB, 2018). The faithful information is been reflected in the words and the numbers on enterprises' financial statements.

Typically, the words and numbers on the financial statements are only useful if the users can meet their needs (*effectiveness*) when they apply these reports for their purposes. The more users apply the financial information of the enterprise, the more effectiveness is obtained. Consequently, the number of users reflects

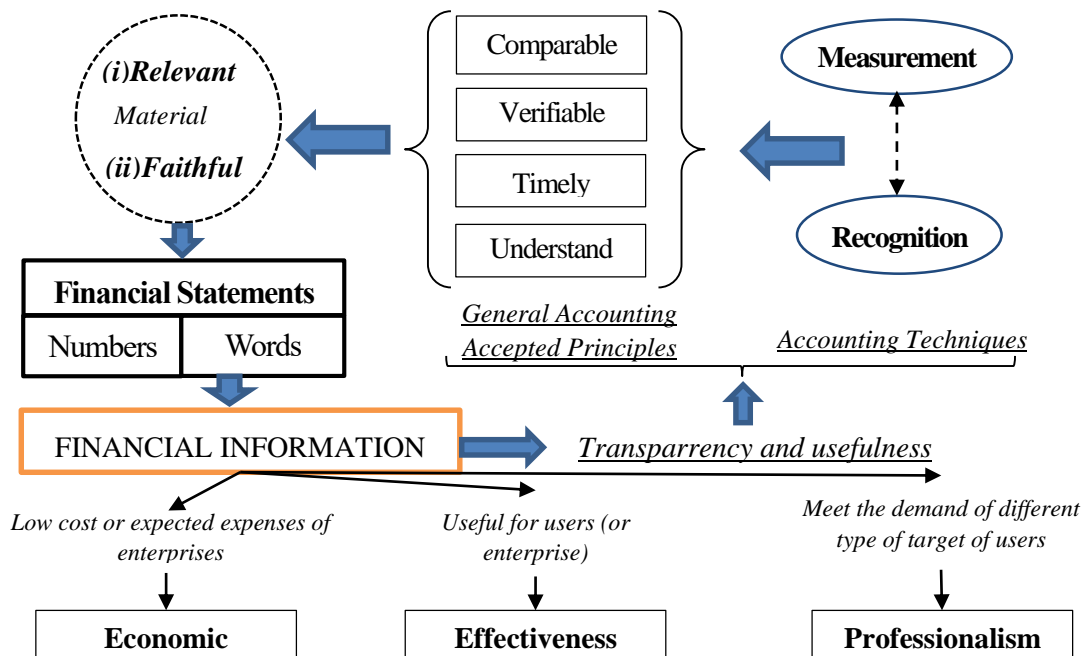


Figure 1. The assessment criteria of fundamental qualitative financial statement (following IFRS and VAS)

*professionalism* in presentation. The cost of financial statement preparation or application at the lowest (or expected expenses) reflects the *economic* presentation.

*Evaluating model of the SMEs managers' knowledge in presenting the information on financial statements*

As the conclusion of the previous section, a useful financial statement implies that their information covers all requirements of effectiveness, economic, and professionalism. This strongly depends on the knowledge of presenters who are often following their managers, at least in an enterprise. In other words, the managers' knowledge in financial statements indirectly influences financial information presentation, at least in the managerial sense. As the review progressed, the study developed assessment criteria of managers' knowledge to identify the evaluating model of the SMEs managers' knowledge in presenting financial information.

Generally, according to Kucza (2001), a manager's knowledge also includes two components: tacit knowledge and explicit knowledge, wherein the tacit knowledge is the knowledge in the manager's mind and is difficult to handle. It is quite different from explicit knowledge which is formalized knowledge that is recorded or performed as video, in a document or speech, etc., and usually covers part of the original tacit knowledge but is not a full representation of it. For a person (a manager), knowledge is as "capacity to act" (Sveiby, 1997); but for an organization or enterprise, knowledge is an artery, a valuable asset, and a key to creating sustainable competitive advantages (Arisha & Ragab, 2013). It is also a part of the organization's performance management and operational assessment (Kucza, 2001). In fact, the knowledge of managers in SMEs mentioned is mostly related to the leadership ability of managers.

Regarding the evaluation of managers' knowledge, many discussions have been published. Most authors agree on the following three categories of the model: (i) effectiveness; (ii) economic; and (iii) professional. Depending

on the research conditions or aspects, the evaluation process can be designed in different methods (qualitative or quantitative), but most of them tend to satisfy the following three purposes: (i) Development; (ii) Accountability; and (iii) Knowledge; in which, the evaluation for knowledge is often aimed to generate understanding and explanation (Federica, 2006).

According to the Organization for Economic Cooperation and Development (OECD), any evaluation for knowledge needs to clarify the purpose for which the map is being developed before proceeding to identify three key themes as follows: Know-What, Know-Why, Know-How, and Know-Who (Arisha & Ragab, 2013). Actually, up to now, numerous studies have attempted to set up the assessing model following these themes. Two of them are very famous and comprehensive reviews that are ASK by Bloom *et al.* (1956) and BKD by Shinseki (1999). In light of the human resource management proposed in an organization, Bloom (1956) built three dimensions: Attitude, Skills and Knowledge. His research shows the manager capacity combines a lot of ability in comprehension, application, analysis, synthetic and evaluation (Le Quan & Nguyen Quoc Khanh, 2012). For the purposes of the Army leadership framework, Shinseki (1999) developed the leadership focusing on character, competence, and excellence. In his opinion, the dimensions consist of Army values and subcategories under attributes, skills, and actions. This means a leader needs to know what he must BE, KNOW how to do, and DO what must do.

Based on the ASK and BKD models, research has been expended to assess the business managers' competence. The criteria of presenting the information on financial statements in SMEs following IFRSs (Conceptual Framework for Financial Reporting) and VAS (Vietnamese Accounting Standards) have been reviewed. In which, the ability in recognition and measurement economic transactions to prepare and disclose information on financial statements (accounting outputs) are determined to evaluate the knowledge of the managers. Notably, from the view of users, this information needs to cover the consensus of all

of three dimensions: economic, effectiveness (or efficiency), and professionalism. Economic means the preparation and presentation of financial statements with the lowest possible cost in the enterprise's resources. The effectiveness is analyzed in terms of useful information presented by users (at least effective for investors and regulatory agencies). Professionalism shows the contents of the criteria on the financial statements satisfy the users' demands.

**Current status of SMEs managers' knowledge in the presentation of information on financial statements**

*Sample descriptive statistics*

Among 71 available responses or SMEs (Table 1), most interviewees (49.3%) came from small enterprises with 10 to 50 employees. In contrast, there were 63.4% of interviewees from

super-small businesses with charter capital under 10 VND billion, among which manufactory enterprises (36.6%) were most popular.

In the sample (as indicated by data from Table 2), most enterprises registered following the form of Limited Liability and Jointed Stock company at 40.8% and 54.9%, respectively. There were 85.9% of responses from private companies. They were mainly working as the directors or CEO (in 26.8%) and functional managers (53.5%) in their enterprises.

As can be seen from Table 3, the majority of interviewees (around 81.3%) were from the group of 20-40 years old, only 15.5% of the sample were from 41-50 years old while the over 50 and under 20 groups were limited at nearly 2.8% and 1.4%, respectively. The interviewees working over 10 years accounted for only 9.9% in the total sample, while their experience was

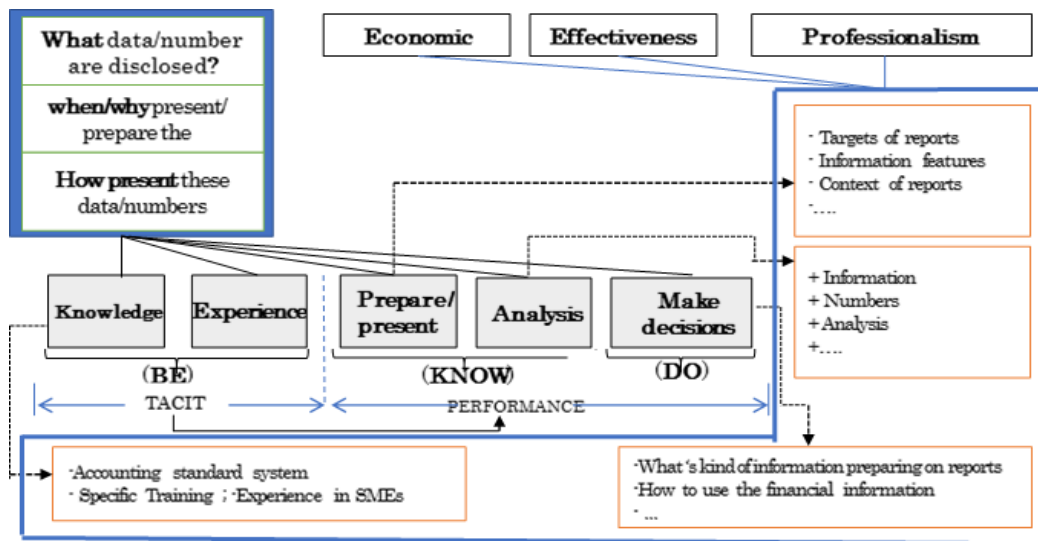


Figure 2. Assessment model of manager's knowledge in presenting information on financial statements

Table 1. Sample characteristics by Business Industries or Capital/Employees Size

Size of capital (billion VND)			Number of employees (person)			Field of business		
Items	Frequency	Percent	Items	Frequency	Percent	Items	Frequency	Percent
< 10	45	63.4	< 10	7	9.9	Manufactory	26	36.6
10-20	15	21.1	10-50	35	49.3	Trade and commerce	12	16.9
20-50	6	8.5	50-100	18	25.4	Service	14	19.7
50-100	5	7.0	100-200	5	7.0	Other (Multi-fields)	19	26.8
			200-300	6	8.4			
Total	71	100	Total	71	100	Total	71	100

**Table 2.** Sample characteristics by Interviewee's Position, Business Formation, and Type of Capital

Interviewee's Position			Business formation			Type of owner's capital		
Items	Frequency	Percent	Items	Frequency	Percent	Items	Frequency	Percent
General manager	3	4.2	Economic Group	1	1.4	State Co.	3	4.2
Chairman	2	2.8	Cooperation/ joint stock Co.	29	40.8	Foreign Co.	6	8.5
Directors and CEO	19	26.8	Limited Co.	39	54.9	Private Co.	61	85.9
Assistant director	9	12.7	Partnership	2	2.8	Multi-national Co.	1	1.4
Functional manager	38	53.5						
Total	71	100	Total	71	100	Total	71	100

**Table 3.** Characteristics of interviewees in sample

Age			Experience			Vocational qualification		
Items (years)	Frequency	Percent	Items (years)	Frequency	Percent	Items	Frequency	Percent
<20	1	1.4	< 1	1	1.4	Non-training	1	1.4
20-30	21	29.6	1-2	6	8.5	Short-training	3	4.2
31-40	36	50.7	Over 2-4	19	26.8	Vocational graduation	5	7.0
41-50	11	15.5	Over 4-5	13	18.3	Bachelor or equivalent	54	76.1
51-65	2	2.8	Over 5-10	25	35.2	Master or equivalent	8	11.3
			Over 10	7	9.9			
Total	71	100.0	Total	71	100.0	Total	71	100

mostly from 2 to under 10 years. About the vocational qualification, 76.1 % of interviewees of the sample had a Bachelor or equivalent degree.

#### *Description of assessing criteria*

Based on the evaluation model and assessing criteria setting in **Figure 2**, the real observations about SMEs managers' knowledge in presenting information on their financial reports' are suggested as follows (**Table 4**).

#### *Evaluation of the managers' knowledge*

##### *(i) Exploratory factor analysis and Cronbach alpha analysis*

At first, the assessment of the scales was carried out by Cronbach alpha testing in order to analyze the reliability of the individual scale, then the tests of KMO values (Kaiser-Meyer-

Olkin Measure of Sampling Adequacy) and Bartlett were conducted to attest all of the scales together to measure the dis-criminality and validity of scales. SPSS version 20 was employed to perform these tests. The result of Cronbach Alpha analysis is summarized in **Table 5**.

##### *(ii) Hypothesis test and ANOVA analysis*

In order to test the relationship between specific or academic answers of the interviewees and the factors according to firm size, position, educational level, and vocational qualification or working years (experience), ANOVA analysis including one way and two ways was used to test the null hypothesis ( $H_0$ ): 'the answers of interviewees do not depend on position, business size, educational level, vocational qualification, or experience'.

**Table 4.** Survey contents to assess the managers' knowledge in the presentation of information on financial statements

Main purpose of the assessment (evaluation methods)	Variables/Questionnaire or survey contents
<p>BE: <i>Measure the background and experience or attitude of the manager</i></p> <p>- Method: mostly qualitative method</p> <p>- Criteria:</p> <p>+ For knowledge: educational level; vocational qualification; and fundamental knowledge in the structure of financial reports; accounting regulation system)</p> <p>+ For experience: years of position; times of relating financial statements.</p>	<ol style="list-style-type: none"> <li>1. What is your educational level?</li> <li>2. Which is the level of your vocational qualification?</li> <li>3. How long do you work at the current position?</li> <li>4. Which area/action do you relate to financial statements?</li> <li>5. Which accounting system do you apply when preparing financial statements?</li> <li>6. Which components do your financial statements include/cover?</li> </ol>
<p>KNOW: <i>Measure/evaluate the preparation or presentation skills; the ability of understanding information; and analysis ability</i></p> <p>- Method: Application of both qualitative method and Likert scales</p> <p>- Criteria:</p> <p>+ For understanding: purpose of financial statement or reasons for preparing financial statement; function of accounting staffs, etc.,</p> <p>+ For preparation: motivation of preparing; when/who prepare financial; etc.,</p> <p>+ For analysis: which content/criteria to present; faithful financial reports; and explanation of the importance of each criterion; etc.</p>	<ol style="list-style-type: none"> <li>1. What are the reasons for preparing a financial statement by an enterprise?</li> <li>2. How are your financial statement contents or criteria on statement designed or setting? (by who?)</li> <li>3. When are your financial statements prepared or published?</li> <li>4. In your opinion, what is a faithful financial report?</li> <li>5. What is your motivation to prepare their financial statement?</li> <li>6. How do you understand about the terms presented on a financial statement such as owner capital, inventory; receivable; and liability, etc.?(<sup>(*)</sup>)</li> <li>7. What do you think about the roles of accounting staff in a enterprise?</li> <li>8. Do you think the manager must study accounting and financial subjects? (<sup>(*)</sup> Which is a suitable course/program?)</li> </ol>
<p>DO: <i>Measure the action of the manager in making decision using financial information</i></p> <p>- Method: Application of both qualitative method and Likert scales</p> <p>- Criteria:</p> <p>+ For setting up the criteria on the financial statements: criterion needs to present; etc.,</p> <p>+ For the purpose of preparing financial statements: explain the importance of financial information to business operation etc.</p>	<ol style="list-style-type: none"> <li>1. Which of the following criterion do you think needs to present on financial statement: revenues, expenses; and income before tax, etc.? (Please show which important level) (<sup>(*)</sup>)</li> <li>2. For which purpose did you apply the information presented on financial statements?</li> <li>3. Have you ever used financial information to make business decisions? If yes, how often do you use? (<sup>(*)</sup>)</li> <li>4. How do you think about the financial statements' quality during last time? (<sup>(*)</sup>)</li> </ol>

Note: (\*) Using Likert scales to measure the level of assessing criterion (Likert 1: 1 = Zero/No; 2 = Little; 3 = Average; 4 = Good; 5 = Very good; Likert 2: 1 = Never; 2 = Rarely; 3 = Sometimes; 4 = Often/usually; 5 = Always; Likert 3: 1 = Empty; 2 = Very poor; 3 = Enough; 4 = Good; 5 = Very good).

**Table 5.** Cronbach alpha analysis and exploratory factor analysis results

Variables	Items	Items	Cronbach alpha**	KMO and Bartlett's Test***		
				Value	sig	Cumulative(%)
Preparing and setting financial criteria	9	9	0.878	0.827	.000	66.66
Understanding financial information	16	16	0.981	0.858	.000	84.71
Knowledge of financial statements' function and purpose	4	4	0.949	0.792	.000	85.08
Analysis quality of financial statements	4	4	0.946	0.838	.000	78.13

Note: \*\* the reliability of scales for individual factor is valid with Cronbach alpha  $\geq 0.6$  and its correlation must be  $\geq 0.3$

\*\*\* KMO value requirements are greater than 0.5 with significance of .000 ( $< 0.05$ )



### **Findings**

#### *Negative relationship between the interviewees' background and their understanding of financial information on the financial statements*

As aforementioned (**Table 3**), many managers of the sample had a Bachelor's degree or its equivalent. Over 20% of them, nevertheless, believed that the financial statements were simply an accounting output under legal compliance. It is rising in some cases of strongly supporting the idea of these reports as controlling the accountant works in their enterprises. In their opinions, if their financial reports passed the tax official requirements, their accounting staff possessed good knowledge or high qualification.

Additionally, almost all of the interviewees considered their knowledge as "good" (Likert's core of 16 items in assessment of understanding financial information were from 3.58 to 3.97 on a scale of 1 to 5). They absolutely agreed, however, their financial statements strictly fit formal regulations rather than providing useful information to users or managerial purpose. It became more extreme because 5.6% of the interviewees supported the statement that the improvement of their knowledge was only important if there was a need to prevent accountants fraud.

#### *Limited number of managers using information on financial statements to make a business decision*

Most managers had good background knowledge of regulation for preparing financial reports with many correct answers in the criterion group of knowledge in regulations of the financial statements. The study found that over 90% of the sample answered the question: which components under current regulation of financial statement correctly? Approximately 89% of the interviewees answered their accounting system under law exactly. Notably, more than 94% of the responses of the survey gave the name of accounting circulars (or regulations under the law in the accounting sector) that their financial reports must follow in preparation. Unfortunately, the collecting data also showed

that only 26.8% of the sample often used their information on financial reports to make a business decision. Under the question of "What are the reasons for preparing financial statements by the enterprise", the study found that over 40% (29/71) of the interviewees were confused between the regulations as compulsory and the gains of financial statement in business. A significant number of responses agreed that their enterprises still ran a business well without financial statements and their motivation of preparing financial reports was because they were compulsory by tax law.

Although most interviewees believed that their financial statements were at good quality (the Likert's score of 4 criteria, including timely, relevant, faithful, and material) in assessing financial statement's quality were popular at 4 on a scale from 1 to 5, about 10% of the interviewed managers in the sample had never used the information from financial statements to run their business. There were only 8.5% who rarely and 14.1% who sometimes applied them.

#### *Limited Profitable and revenue data as the most important criteria on the financial statements in the views of SMEs managers*

Among 9 items (revenues, expenses, retained earnings, taxation fees, receivables and payables, plant assets or long-term assets, and others) of a variable group of preparing and setting financial criteria on financial statements, the Likert's scores were the highest in profitable and revenue items with 3.79 and 3.2, respectively, whereas the lowest was 1.87 at unusual or sub-information (belongs to "others"). Paradoxically, in many cases, the business decisions of investors came from the extra or specific information of "others' items because these investors naturally wanted to collect much information out of report formation to enrich their knowledge before making a final investment decision. This reflects the fact that the SMEs managers concentrated vigorously on a short-coming rather than a long-term proposal. It also implies that it is still challenging for the SMEs to improve their competitive advantage at the current manager's capacity (at least the knowledge in preparing financial statements).

## Conclusions

Managers' knowledge in general and in particular about the preparation of the information on financial statements often relates closely to managers' competence. The assessment model of SMEs manager's knowledge in preparing the financial statements, as one of the research results, contributes significantly to active identification of manager's knowledge as well as financial statement qualification. Based on this model, the evaluator would develop to assess the knowledge of anyone in many different sectors (not only accounting but also any other aspects).

For other findings, the research data of 71 SMEs showed that most interviewees had limited knowledge in preparing financial statements. It seems more urgent that a significant number of them still misunderstood or could not apply the information on financial reports, especially in their skill of preparing, into presenting or analyzing cases. In other words, at the current manager's knowledge in preparing financial statements, it was still difficult for the SMEs to take advantage in not only international but also national competitions. In order to improve this status, the recommendations include: (i) the managers should actively improve their knowledge by themselves; (ii) the current accounting standard system should be revised allowing much more international system harmonization; and (iii) the educational and training system should focus on providing the skills or capacity of learners rather than knowledge in theory.

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