

**UNIVERSITY OF MACAU**

**FACULTY OF BUSINESS ADMINISTRATION**

**EMPIRICAL RESEARCH ON MANAGEMENT  
ACCOUNTING SYSTEM OF A NON-PROFIT  
ORGANISATION (NPO) IN MACAO**



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## Abstract

Prior budgeting studies that are built upon the work of Kren (1992) have consistently found that budget participation improves budget performance while others report that the relationship is a negative one (Wagner 1994). Therefore, researchers have started to examine the reasons of such paradoxical findings, with possible intervening variables (such as job related information, goal acceptance, locus of control, organisation commitment) that may exist between budget participation and budget performance. The non-profit sector in Macao has unique management styles for serving individuals in the community. Hence, in recent years, non-profit organisations (NPOs) have aroused research interest in studying ways to manage more effectively and efficiently NPO personnel, who are highly committed to charitable work. The purpose of this study is to examine the effect of antecedents and consequences of the accounting activities in NPOs.

It is calculated that there were 150 project managers in NPOs in 2008. Therefore, a case study of NPOs will be presented in this paper, in which a survey questionnaire was administered to a sample of around 150 project managers. In order to eliminate the problem of a low response rate, student assistants were employed to collect data at the work places of the respondents. The results revealed a positive relationship between job related information and budgetary performance. On the contrary, job related information has a negative effect on goal acceptance, and no significant relationship with budgetary performance. Interestingly, job related information has a positive effect on organisational commitment, but has no significant relationship with budgetary performance. This study recommends that the top management of NPOs implement and enhance organisational commitment and goal acceptance of managers by designing an effective management control system in order for a better budgetary performance.

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