

## ABSTRACT

The companies around the world have some problems to allocate manufacturing overhead costs to products. The alternatives of cost-allocation bases that are used in management accounting systems are direct labor-hours, direct-labor-dollars, machine-hours, units of production and others. Many companies have been put under great pressure to provide ever higher quality products at ever lower costs. To obtain more accurate product cost information, activity-based costing (ABC) may be actually the better way to understand real costs and opportunities available to reduce the costs for bidding, etc. These are very important for managing organizations in the competitive situations.

In addition to the techniques of performing operation more efficiently by engineers, accountants, and other teamwork, Activity-based management (ABM) is the management processes that uses the information provided by activity-based cost analysis to improve organizational profitability. ABM includes performing activities more efficiently, eliminating the need to perform certain activities that do not add value for customers, improving the design of products, and developing better relationships with customer and suppliers. The goal of ABM is to satisfy customers' needs while making fewer demands on organizational resources.

This project examines the attitude of accounting controllers in manufacturing industry in several aspects such as the reasons of using and not using Activity-based management (ABM), the consequences after using it and trends in ABM employment in manufacturing firms. In the study, primary and secondary data were collected from surveys using mail questionnaires, various textbooks and accounting journals. One hundred and ninety-five samples were selected from the list of Stock Exchange of

Thailand and 63 samples responded. The evaluations from analyzing data and processing SPSS for Window reveal the attitude of accounting controllers who work in both the firms using ABM and the firms not using ABM. The results of this research suggest that ABM performs satisfactorily to cost management system in the organizations and develop effective production in the manufacturing industries in the future.

The researcher is interested in studying the results from using ABM in the manufacturing industries in Thailand. The objective of this research is to develop effective production in the manufacturing industries in the future. However, this system is not recognized enough, then the researcher studies only the well-known companies who registered in the Stock Exchange of Thailand (SET) and hope that this research would be beneficial to all readers.