Contemporary Journal of Management | *ISSN 2766-1431*
Published by ACADEMIC INK REVIEW | *https://airjournal.org/cjm*
12011 WestBrae Pkwy, Houston, TX 77031, United States
airjournals@gmail.com; enquiry@airjournal.org

Empirical Investigation into Target Costing and Competitors Focused Accounting Practices of Selected Firms in Oil and Gas Industry in Nigeria

Prof. Osisioma B. C.; Prof. Egbunike, Patrick Amaechi; Prof. Okafor, Tochukwu Gloria; Okoye, Henry Onyebuchi

Department of Accountancy, Nnamdi Azikiwe University, Awka, Nigeria

Publication Process	*Date*
Received	***June 7th, 2021***
Accepted	***June 23rd, 2021***
Published	***June 30th, 2021***

ABSTRACT

The study is aimed at investigating the effect of target costing on competitors focused accounting on accounting practices of selected firms in the Oil and gas industry. Survey design was adopted for this study. Copies of questionnaires were administered to 128 sample respondents. Analysis of variance (ANOVA) was used to analyze data collected statistically at 5% or 0.05 level of significance to find out the effect of target costing on competitive advantage in oil and gas firms using difference in proportion, and in testing the hypotheses; Regression analysis was used, with the aid of statistical package for social sciences (SPSS) software. The test showed that target costing enhances cost advantage in the oil and gas industry, despite some teething problems encountered by firms in adopting the technique. The researcher recommends that internally, coordination and involvement of financial and accounting professionals is needed to implement target costing and a close monitoring of marketing and quality control throughout the entire process in order to be a success. Moreover, senior management team should support and pay more attention to application of target costing to achieve the substantial reductions in production costs to strengthen competitiveness.

Keywords: *Target Costing, Competition, Accounting Practices, Oil and Gas Industry*

1. Introduction

Incessant corporate scandals, technological advancements, emerging competitors, shorter products life cycle and changing customer needs across the world have resulted in enormous complexity in today's business world. Companies have started to change their production systems by means of using contemporary manufacturing technologies. Interestingly, present costing methods has been called into question as to the efficiency of providing reliable cost information in a competitive era. Cost and performance management have become a very important tool for businesses that want to achieve maximum success in the risen heat of the competition of today's economic climate. Today, new methods that consist of advanced and elaborate technical studies and approach to cost reduction factors individually, started to find their way into operations. One of these methods that emerged in this process is Target Costing technique.

Target costing is a contemporary management accounting tool developed principally by Japanese manufacturers (Kato, 2003). Target costing is not just a method of costing, but rather a management technique wherein prices are determined by market conditions, considering several factors, such as homogeneous products, level of competition, no/low switching costs for the end customer, etc. When these factors come into the picture, management wants to control the costs, as they have little or no control over the selling price.

The Chartered Institute of Management Accountants (CIMA) in their text titled strategic cost management (2005) is of the opinion that target costing is not a new phenomenon even though only a number of north American companies fully utilize its elements. In 1908 Henri Ford developed mass automobile production with a volume increasing objective which was to be achieved by continuously reducing prices and it was noticed that by 1913 Ford was able to sell its automobile for under $500 marking a very low price as of competitors. To achieve this, Ford controlled costs by adopting backward integration, assembly line and efficiency improvements. CIMA 2005 defines target cost as "a product cost estimate derived from a competitive market price." Mathematically target costing is expressed as selling price less profit margin. Target costing assists in making the new product competitive in terms of cost, quality and functionality (Cooper and Chew, 1996).

Regarding the globalization of markets and the issue of joining world trade market, the companies would be inevitably led into competitive environment and would be forced to use the target costing in order to survive in such environment. The increase in standards of rivals' products, economics globalization, high competition in prices and lower life cycle of products suggest that market seeks those products that are supplied with lower prices in addition to previous performance whilst they cannot reduce their profitability. Research shows that target costing is being used worldwide (for example, Adler et al., 2000; Guilding et al., 2000; Joshi, 2001; and Nicolini et al., 2000). However, there is still little research in the Nigeria context. In a competitive environment, the ever-increasing cost is regarded as one of the principal parameters for customers. In reply to cost improvement, many Oil and gas firms have embarked on accepting and utilizing the management accounting tools and techniques, among them is the target-based costing. The goals of becoming and remaining internationally competitive in terms of price are of utmost importance for the survival of the Nigerian Oil and gas firms. The dilemma for producers is to match the lower prices of the global competition and still offer the highest quality products that customers demand. However, some oil and gas firms practicing target costing can hardly justify their competitive advantage in the oil and gas industry.

1.1. Statement of problem

There is an increasing global awareness of the importance of modern informed cost management techniques and many costing conventions and declarations by companies have been formed to foster competition in order to increase the chances of survival and the respect of customer needs for value. In Nigeria, there is no ratification and declarations as to costing conventions made at national level for companies but still companies are seen to underperform. The adoption of some of the modern cost management techniques particularly target costing is seen to provide a good relationship between price and quality and this have proved to be a key system for growth and profitability of the firm. However, the dilemma for oil and gas firms is to match the lower prices of the global competition and still offer the highest quality products that customers demand. Some oil and gas firms find it difficult to practice target costing in this competitive market. However, some oil and gas firms practicing target costing can hardly justify their competitive advantage in the industry. Based on the foregoing, therefore, the study was designed to investigate the effect of target costing on competitors focused accounting in Nigerian oil and gas firms.

1.2. Objective of the study

The general objective of the study is to investigate the effect of target costing on competitors focused accounting in Nigerian oil and gas firms.
The specific objectives for the study are:

i. To determine how target costing enhance cost advantage in oil and gas firms.
ii. To ascertain how target costing enhance product quality advantage in oil and gas firms.
iii. To ascertain the challenges faced by oil and gas firms in adopting target costing.

2.0 Literature Review

2.1 Conceptual Review

Ellram (2000) considers target cost method as a tool to support and manage new and future products, focusing on the design stage of the product. Hill and Jones (2008) defines target costing as a disciplined estimation to the cost of components or related parts in each unit of a product or service which is used to achieve the target operating income per unit when sold at a target price. Costs should be conducted to a point in which the cost does not surpass the predetermined selling price and the lowest possible amount of expected profit. Drury (2006) stipulates that target costing is a technique directed by the customer and used as a cost management tool to improve pricing decisions and cost reductions. In industries such as construction, health-care and energy, competition is so intense that prices are determined by supply and demand in the market. Producers can't effectively control selling prices. They can only control, to some extent, their costs, so management's focus is on influencing every component of product, service, or operational costs. The key objective of target costing is to enable management to use proactive cost planning, cost management, and cost reduction practices where costs are planned and calculated early in the design and development cycle, rather than during the later stages of product development and production. In the accounting literature, target costing is a costing technique to manage a firm's future profits by explicitly including target costs in the product development process. Target costing attempts to reduce a product's life-cycle costs before production begins in order to achieve desired profitability (Kato, 2003). The target costing team assists in making the new product competitive in terms of cost, quality and functionality. Cooper and Chew (1996), states that by influencing products and processes, target costing are concerned with shaping the foundations of the organization and can be regarded as the most proactive of all the uses of costing. Sakurai (1989) defines target costing as a ''cost management tool for reducing the overall cost of a product over its entire life cycle with the help of the production, engineering, R&D, marketing, and accounting departments''. Management utilizes this pricing technique to meet both the demands of its customers as well as company profit goals.
Ansari et al (1997) state that since target costing is market driven, the views of customers are of utmost importance and should therefore be considered throughout the entire process. Understanding the needs of customers and what competitors are currently doing or might do to meet those needs is essential. Quality, cost and time requirements of customers are thus incorporated in product and process decisions and guide cost analysis. Engineering development activities are driven by a focus on customers and are shaped by the demands of the market.

Target costing has a number of implementation challenges. Banham (2000) quotes the Senior Manager of Finance at Boeing and agrees implementation barriers include: lack of understanding in corporate America (in fact the term is not well known and much of the Japanese literature on "drifting cost" has not been translated); cultural barriers against cross-functional cooperation; organizational barriers to team oriented work (difficult to achieve in a functional structure); and a perceived irrelevance about the effects. Still other barriers may include the organizations information systems and its lack of total system integration. To share cost reductions, supply chain partners must be able to share initial cost and production data. Liu (2003) opines that the company's competitive advantage means the company advantage from the perspective of market of the product that will bring more competitive position for it while Joshi (2001) stresses on that it is practically aimed at meeting customer's needs and desires in order to possess the company's products. Banham (2000) said a company has a sustainable competitive advantage when it can be able to maintain the rate of profit higher than the rate of profitability of the industry for several years through its ability to produce its products at lower costs than its competitors. However, Abdel-El-Dayem (2001), opines that target costing is considered as the technical support of the organization's activities in addition to its assistance in access what is the best by providing senior management with the necessary information to manage costs, because they represent a comprehensive system of planning profit, and works to reduce production costs.

Principles of target costing

Swenson, Ansari, Bell and Kim (2003) noted in their study that the best practice companies were relatively consistent in the manner in which target costing was applied. In this respect, the best practice companies employed a cross-functional organizational structure, listened to the "voice of the customer," focused on cost reduction during the new product development stage, and were effective at removing costs throughout the supply chain.
They concluded that target costing has been extremely effective in controlling costs and enhancing profit. Ansari et al (1997) describe target costing as a systematic process of cost management and profit planning. The six key principles of target costing are:

a. Price led costing
b. Focus on customers
c. Focus on design
d. Cross-functional involvement
e. Value-chain involvement
f. Life-cycle orientation

2.2 Theoretical Review

Contingency Theory

Contingency theory is an approach to the study of organizational behavior in which explanations are given as to how contingent factors such as technology, culture and the external environment influence the design and function of organizations (Islam and Hui, 2012). The essence of contingency theory is that best practices depend on the contingencies of the situation. Contingency theory is often called the "it all depends" theory, because when you ask a contingency theorist for an answer, the typical response is that it all depends. The term contingency as used in contingency theory is similar to its use in direct practice. A contingency is a relationship between two phenomena. If one phenomenon exists, then a conclusion can be drawn about another phenomenon.
Contingency theory has been applied in accounting in several ways and by several authors. Hofstede (1983) found that, economic, technological and sociological considerations had a significant impact on the functioning of budgeting systems. Shank (1991) also applied contingency principles in investigating the use of managerial accounting systems and information in a strategic way and Banker, Datar and Kemerer (1991) looked at the impact of structural factors and found that firms which implemented just-in-time (JIT) or other team-work programs were more likely to provide information regarding performance to shop-floor workers. Sheild, Chow Kato and Nakagtuvu (1991) state that the difference in accounting practice between the US and Japan has been attributed to difference in underlying goal and educational training and career paths of the cost accountants. While US uses direct labour for allocating manufacturing overheads, Japan uses it for a motivational purpose, Japanese firms believe that allocation of direct labour costs distorts the product cost, but they still use it because of the incentives it provides to increase labour efficiency and to implement technology that will replace labour. Most of the US accountants are trained in the universities and their career path is accounting while most of the accountants in Japan are trained in other disciplines apart from accounting, but are rotated in many functional areas of the organization including accounting for about 10 to 15 years. After that, some of them are sent for in house training in accounting that would prepare them to spend several more years in accounting section. After a lot of experience in the accounting department, they are usually transferred from accounting section and end up as general managers.

2.3 Empirical Review

Ghafeer, Rahman and Mazahrih (2014) investigated the impact of target costing method to strengthen the competitiveness of industrial companies. The researcher utilized an exploratory study by scanning the field of several companies in the engineering industries sector in Syria through the use of a questionnaire and the following results were obtained (a) target costing and enhancing cost advantage are positively and directly correlated (b) a good positive and direct correlation also exists between target costing and enhancing quality advantage (c) a medium positive and direct correlation exists between target cost method and enhancing environmental advantage. The study also points towards the view that many managers in the engineering industries sector believe that the least way to reduce the cost of the product is through continuous improvement of mutual relations between basic activities of the company through reduction of waste and raising quality level. It further noted that many companies are not able to make a substantial amendment to the design of products quickly on account of the high cost of

changing designs adopted and the absence of specialized departments for research and development. Hence, the study recommended that it is necessary to continuously provide support and pay attention to senior management when applying target costing so as to achieve substantial product cost reductions and competitive strength. The study also proposed that it is likewise important to apply different frameworks, for example, techniques like Just in Time (J.I.T) through holding long term partnerships with supplies.

Idowu (2014) examined target costing and competitive advantage in the manufacturing industry of Nigeria. The specific objectives were: to determine how target costing enhance cost advantage in manufacturing firms, and to ascertain challenges faced by manufacturing firms in adopting target costing. Chief Accountants, Marketing Directors and Production Engineers were used to determine the impact of target costing on competitive advantage in Nigerian manufacturing firms. Copies of questionnaires were administered to 134 sample respondents. The findings confirmed that target costing enhance competitive advantage and quality advantage in competitive manufacturing industry, despite some teething problems encountered by firms in adopting this technique. The researcher recommends that internally, coordination and involvement of financial and accounting professionals is needed to implement and a close monitoring of marketing and quality control throughout the entire process in order to be a success. Moreover, senior management team should support and pay more attention to application of target costing to achieve the substantial reductions in production costs to strengthen competitiveness.

Sulaiman (2014) researched the use and adoption of target costing approach in manufacturing companies in Jordan. To conduct the study and accomplish its objectives, a questionnaire was developed and addressed to financial managers and marketing managers. Five-point likert scales were used for estimation and one sample t-test was applied to test the hypothesis of the study. The findings were that (1) manufacturing firms in Jordan apply the requirements of target costing, (2) the obstacles for not adopting target costing in Jordan are: nature of the company`s work makes target costing not applicable, information gathering and analysis are costly, lack of management support and efficiency and unstable prices in the market make it difficult to determine the selling price which is the starting point of target costing.

Dimi and Simona (2014) investigate the target costing concept and the response of managerial accounting to changes in the environment. A sample of Romanian entities which produce footwear were used for this study to verify whether target costing yields positive financial results and whether there is an awareness of target costing in the industry. The results showed that only 26% are not aware and 74% of the companies are aware. The findings further confirmed that target costing success factors are the cost, quality, innovation and time, factors that are optimized especially in the stage of developing and designing the product by involving a multifunctional team of the entity and the members of the value chain, especially the suppliers. The research findings also showed that a company can produce positive financial results without adopting target costing. Finally, the study attests and recommend Romanian entities to use target costing to assure competitiveness in the market.

Chiling and Shumei (2013) investigated whether target costing is affected by the impact of external circumstances in Real estate development in Taiwan. A case study was combined with literature reviews to test this proposition. The findings were that the real estate industry in Taiwan is vulnerable to the impacts of economic depression, inflation and change of government policy to which the industry is exposed to. The impacts result in uncertainty because the products cost long term for construction and confine the strength of target costing derived from the cardinal rule in the formulas of more fixed target costs for cost reduction. It appears to the researchers that target costing appears to be dynamic on the impacts of those external circumstances to assist the firms in the achievement of planned profits.

3.0 Methodology of research

A cross sectional survey design was used to address the problem of this study. The use of the survey design allowed the issues to be addressed in their organizational setting rather than in a contrived laboratory setting. It allows the collection of large amounts of data from a sizeable population in a highly economical way.
The participants are the Chief Accountants, Marketing Managers and Production Engineers of; 11 Plc., Forte Oil Plc., Capital Oil Plc., OANDO Nig. Plc., Total Nig. Plc., MRS Oil Nig. Plc., Japaul Oil & Maritime Services Plc., Conoil Plc., and Eterna Plc. The choice of these participants was due to; applying target costing or having a similar process, having extensive market analyses and marketing information systems. They follow balanced competition strategies. They have comprehensive cost estimation systems and can be considered as applying cost planning successfully. Correspondingly, most of these companies understand product life cycle costing.

Table 1. The sample size of 160 selected from the population was tabulated below:

S/No	Respondents	Total
1	11 Plc.	**18**
2	Forte Oil Plc	**17**
3	Capital Oil Plc.	**15**
4	OANDO Nig. Plc.	**20**
5	Total Nig. Plc.	**20**
6	MRS Oil Nig. Plc.	**15**
7	Japaul Oil & Maritime Services Plc.	**15**
8	Conoil Plc.	**20**
9	Eterna Plc.	**20**
	Total	**160**

Source: Field Survey, 2020

4.0 Method of Data Analysis

The data collected from the questionnaire administered and hypotheses formulated have been statistically tested with the aid of SPSS 23.0 software. The statistical model chosen for the analysis of data is multiple regression analysis and analysis of variance [ANOVA].

The model in its functional form was specified as follows:

Tacost= f (C1, Qj, Ak)

Three sets of hypotheses were advanced for confirmation in this study.

$H_0$1: Target costing does not enhance cost advantage in oil and gas firms.

Test items were developed to obtain cost advantage behavior score. The model to be used to confirm this proposition is presented below:

Tacost i = B0 + B1 C 1 + ei (1)

Bi > 0; R2 t > 0.

The Bi is a measure of the impact of target costing on cost advantage.

$H_0$2: Target costing does not enhance product quality advantage in oil and gas firms. The model to be used to confirm this proposition is presented below:

Tacost j = B0 + B1Qj + ej (2)

Bi > 0; R2Q > 0

Bi measures the impact of target costing on quality advantage.

$H_0$3: Nigerian oil and gas firms do not face any serious challenges in the adoption of target costing. The model to be used to confirm this proposition is presented below:

Tacost k = B0 + B1Ak + ek (3)

Bi > 0; R2 A > 0

B1 measure serious challenges facing the adoption of target costing by oil and gas firms.

Where:

Tacost = Target costing;

C1 = Cost advantage;

Qj = Quality advantage;

Ak = Challenges for adoption of target costing;

e = Error term;

B0 B3 = Coefficient.

Presentation and analysis of data

In carrying out this study, questionnaire was used for collection of primary sources of data and secondary sources were also collected, which were analyzed. The two major methods used in analyzing the data collected were: Analysis of variance and Regression analysis. The researcher administered one hundred and sixty copies of questionnaires randomly to Chief Accountants, Production Engineers and Marketing Managers out of which one hundred and twenty-eight copies were successfully retrieved representing 80% of the number of questionnaires administered. The test concerning the parameter was carried out using Analysis of Variance, and to test secondary data, correlation coefficient was used.

Testing of Hypotheses

The decisions reached on hypotheses are based on the result obtained from regression calculation and the tabulated value of the regression distribution. We reject Ho if F – calculated is greater than F – tabulated at 5% level of significance, otherwise we accept.

Hypothesis One

Ho: Target costing does not enhance cost advantage in oil and gas firms.

In testing of hypothesis one, question 1, 2,3,4,5, and 6 was drawn to seek response on relationship between cost advantage and target costing

Table 6a. **Regression coefficient for target costing on cost advantage**

R	B	Beta	T = test
Constant	113.671		T= 3.47, p = 0.26
Cost advantage	19.541	.96	T= 6.89, p =.002

R 2 = .92, F(1, 4) =47.496, P =.002

Table 6b. **Analysis of variance table**

Model	Sum of square	Df	Mean square	F
Regression	69811.93	1	69811.93	47.496
Residual	5789.41	4	1469.85	

Target costing explain 92 per cent of variation experience in cost advantage, and this result is significant F(1,4) = 47.496, P < 0.05. Target costing makes a positive impact on cost advantage and this is significant, t(6. 89), p <.005.

Decision

Based on the analysis above, the null hypothesis (H0) is therefore rejected while the alternative hypothesis (H1) is accepted; which state that target costing enhances cost advantage in oil and gas firms.

Hypothesis Two

Ho: Target costing does not enhance product quality advantage in oil and gas firms.

In testing of hypothesis two, question 7,8,9,10,11, and 12 was drawn to seek response on relationship between product quality advantage and target costing.

Table 7a. **Regression coefficient for target costing on quality advantage**

R	B	Beta	T = test
Constant	135.996		T= 4.80, p = .009
Cost advantage	118.369	.95	T= 6.08, p =.004

R 2 = .95, F(1, 4) =36.90, P =.004

Table 7b. Analysis of variance table

Model	Sum of square	Df	Mean square	F
Regression	63943.86	1	63943.86	36.90
Residual	6931.48	4	1732.87	

Target costing explain 95 per cent of variation experience in quality advantage, and this result is significant F (1, 4) = 36.90, P < 0.05. Target costing makes a positive impact on cost advantage and this is significant, t(6.09), p <.005.

Decision

Based on the analysis above, the null hypothesis (H0) is therefore rejected while the alternative hypothesis (H1) is accepted; which state that target costing enhances quality advantage in oil and gas firms.

Hypothesis Three

Ho: Nigeria oil and gas firms do not face any serious challenges in the adoption of target costing.

In testing of hypothesis three, question 13, 14,15,16,17, and 18 was drawn to seek response on serious challenges in the adoption of target costing.

Table 8a. **Regression coefficient on serious challenges for adopting target costing**

R	B	Beta	T = test
Constant	119.362		T= 3.10, p = .036
Cost advantage	20.695	.92	T= 4.68, p =.009

R 2 = .92, F(1, 4) =21.996, P =.009

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	50275.15	1	50275.15	21.996	.000[b]
	Residual	9184.35	4	2296.10		
	Total	59459.50	5			

Problems of adopting target costing was explained by 92 per cent of variation experience in oil and gas firms, this result is not significant F (1, 4) = 21.996, P > 0.05. Target costing makes a positive impact on cost advantage and this is significant, t (4.68), p <.005.

Decision

Based on the analysis above, the alternative hypothesis (H1) is therefore rejected while the null hypothesis (H0) is accepted; which state that Nigeria oil and gas firms do not face any serious challenges in the adoption of target costing.

Summary of findings

Based on analyzed data, the findings in this study include the followings:

1. The study found the process of reducing cost of the product as one of the main priorities in the company objectives. However, the management of the company determines the cost gap by comparing the cost of the initial design and target cost of the product.

2. It was also discovered that target costing enhances product quality advantage in manufacturing firms. The management of the company produces products that have specifications which are identical to the standard specifications. The management of the company supports the application of the requirement of ISO certification.

3. Nigeria oil and gas firms do not face any serious challenges in the adoption of target costing.

5. Conclusion and recommendation

The objective of target costing is to assure that a firm achieves its product-specific and firm-wide profit objectives in a very competitive market environment. It is becoming increasingly essential as more firms are realizing that they cannot increase prices to solve cost and profit squeeze problems.

This approach is considered as one of the modern methods to reduce strategic costing that enables the company to obtain competitive advantage and to overcome its competitors in the market with its unparallel target costing technique. However, using Target costing approach as cost management tool requires inclusiveness, confidence and technical efficiency. All the factors have to be considered so that Target costing makes achieving its purpose efficiently. Through achieving and improving one of the competitive strategies for their products within their sectors, the firm could satisfy customers and remain competitive. Companies should use the costing techniques that are most suitable for their environment. For instance, the level of technological advancement, size of the company, stage of the product and culture. There should be naturalistic research for the development of cost and management techniques Companies should only adopt those techniques that have practical basis and those techniques that their competitors have successfully adopted.

References

Abdel-Dayem, and Safaa' Mohammed. (2001). Toward a proposed framework for the management target costing in the modern manufacturing environment. The scientific journal of the economy of Commerce, Ain Shams University, third edition, p: 470.

Adler, R., Everett, A. M., and Waldron, M. (2000). Advanced management accounting techniques in manufacturing: utilization, benefits, and barriers to implementation. *Accounting Forum*, 2, 131-150.

Ansari, Shahid L. and Jan E. Bell (1997). Target Costing: The Next Frontier in Strategic Cost Management, A CI/CMS Model for Profit Planning and Cost Management, IRWIN Professional Publishing, USA.

Banham, R. (2000). Cost optimization: Off target? CFO, 127-130.

Banker RD, Datar SM, Kemerer L (1991). A model to evaluate variables impacting the productivity of software maintenance*. Journal of Management Science*, 37(1), 1-18.

CIMA. 2005. Target costing in the NHS. [Online]. Available: http://www.cimaglobal.com/cps/rde/ xbcr/SID-0AE7C4D1

Chiling, W. and Shumei, C. (2013) Dynamic Target costing (TC) in Real Estate Development. *Journal of Modern Accounting and Auditing*, 9, 203-211.

Cooper, R., and Chew, W. B. (1996). Control tomorrow's costs through today's designs. *Harvard Business Review*, 88-97.

Dimi, O. and Simona, S. B. (2014). Target costing – the response of the managerial Accounting to Changes in environment. *Economic Series*, 3

Drury, C. (2006). Management and cost accounting, Thompson, Australia

Ellram, L. M. (2000). Purchasing and supply management's participation in the target costing process. *Journal of Supply Chain Management,* 36(2), 39-45.

Ghaffeer, N. A. M., Rahman, A. A. and Mazahrih, B. J. (2014). The impact of target costing method to strengthen the competitiveness of industrial Companies, *International Journal of Business and Social Science*, 5(2)

Guilding, C., Cravens, K. and Tayles, M. (2000). An international comparison of strategic management accounting practices. *Management Accounting Research*, 11, 113-135.

Hill Charles W. L., and Jones, Gareth R. (2008). Strategic Management: an Integrated Approach. (8th ed.). Houghton Mifflin Company, USA.

Hofstede G. H. (1983) The cultural relativity of organizational practices and theories. *Journal of International Business Studies*, 14(2), 75-89.

Idowu, A.S (2014). Impact of Target Costing on Competitive Advantage in the Manufacturing Industry: A Study of Selected manufacturing Firms in Nigeria. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 4(3), July 2014, 97–108 E-ISSN: 2225-8329, P-ISSN: 2308-0337

Islam, J, Hui Hu (2012). A review of literature on contingency theory in managerial accounting. *African Journal of Business Management*, 6(15), 5159-5164.

Joshi, P. (2001). The international diffusion of new management accounting practices: the case of India", *Journal of International Accounting, Auditing and Taxation*, 10, 85-109.

Kato, Y. (2003). Target costing support systems: lessons from leading Japanese companies. *Management Accounting Research*, 4, 33-47.

Liu, Tsai-Lung. (2003). Organization Learning and Social Network Market Orientation: The Role of Resource-Based View Strategy Gaining in Dynamic, Capabilities Advantage. [Online] Available: http://www.hicbusiness.org/biz2003proceedings/Tsai-Lung%20Liu.pdf

Nicolini, D,, Tomkins, C, Holti, R., Oldman, A. and Smalley, M, (2000). Can target costing and whole life costing be applied in the constmction industry? Evidence from two case studies, *British Journal of Management*, 11, 303-324.

Sakurai, M., (1989). Target costing and How to Use It, Journal of Cost Management for the Manufacturing Industry. pp 39-50.

Shank JK (1989). Strategic cost management: New wine or just new bottles. *Journal of Management Accounting Res*., 1, 47-65.

Shields MD, Chow CW Kato, Nakagtuvu Y (1991). Management accounting practices in the U.S. and Japan: Comparative survey findings and research implications, *Journal of International Financial Management and Accounting* 3(1).

Sulaiman, S. (2014). Target costing evolution: A review of the literature from IFACs (1998) perspective model, *Asian Social Science,* 10 (9)

Swenson, D, Ansari, S., Bell, J., and Kim, I. (2003). Best practices in target costing. *Management Accounting Quarterly*, 4(2), 12-17.